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1991 INCOME & FEES

of Accountants in Public Practice

A 1991 Survey Report

nspa NATIONAL SOCIETY OF PUBLIC ACCOUNTANTS

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of Accountants in Public Practice

A 1991 Survey Report

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FOREWORD

This is the eighth nationwide member survey of income and fees undertaken by the National Society of Public Accountants. This program, undertaken on a triennial basis since 1969, has evolved into a definitive, periodic analysis of the trends in the economic aspects of a public accounting practice. New information presented in this 1991 report includes electronic filing, professional liability insurance coverage and premiums, office practices and employee benefits. These survey statistics are primarily intended for the internal use of practitioner firms and the profession generally.

The rate of response by NSPA members to this year's survey clearly indicates not only a spirit of professional cooperation but also a practical need for the types of data available in this report. Approximately one-third of all member firms surveyed returned a usable questionnaire.

We wish to acknowledge with appreciation the outstanding services rendered by Michael Sherman, Ph.D., and Association Research, Inc. for their professional consultation in the preparation of the questionnaire, computer processing, and the text analysis.

Sincere thanks must also be extended to those members of the National Society of Public Accountants who cooperated so splendidly in this significant survey project. Without their prompt and enthusiastic response, this report could not have been prepared.

Alexandria, Virginia
September 1991

INTRODUCTION

The eighth income and fee survey of the members of the National Society of Public Accountants was conducted in 1991 to update and record on-going information and trends about the economic characteristics of accountants in public practice in the United States.

Association Research, Inc. an independent survey research firm in Rockville, Maryland, conducted the survey. Of the 5,000 surveys mailed out, 1567 were returned, a 31.3% response rate. This year a larger sample size was taken from the mail lists of NSPA and over 550 more surveys were received compared to 1988. While this year's survey and the previous year's survey response rates were both around one-third, this year's survey yielded one-third more respondents than in 1988.

Information in the survey was to be completed by the proprietor, senior partner or major stockholder in the firm. Some of the general information gathered referred to the individual, such as education, gender, age and accreditation. The rest of the information referred to the firm and its staff. A copy of the questionnaire has been included (pages 32-33).

The tables contain cross-tabulations using various demographic characteristics. This includes: type of practice; region; community size; gross income and full-time staff. The regions are the four standard major regions of the U.S. Bureau of the Census.

Responses to some questions are presented as means (averages), medians, quartiles or counts. The count is the number of firms or individuals possessing a certain attribute and the mean is the total (sum) of the replies to a question divided by the total number (count) of those responding to the question. The median is the number which lies half way between all the responses to a question, when the replies are ranked from lowest to highest. One half of the responses are lower and one half are higher. The first quartile is the value below which one quarter of all the numerical answers to a question fall and above which three quarters fall. The third quartile divides the lower three quarters of all responses from the upper one quarter.

DEMOGRAPHICS

Approximately 62.0% of the respondents are sole practitioners, while 30.0% are accountants practicing in corporate form. Only 7.6% are in partnerships. There is a fairly even distribution for most other demographic variables. For example, the response rate is similar for each region, with the most respondents reporting from the south (29.6%), while the fewest are located in the west (20.8%). The various community sizes that respondents practice in are also well represented, the exception being in the rural communities, reported by only 4.0% of the respondents. More respondents have three or more full-time employees (43.0%), closely followed by the 33.2% who have only one full-time employee.

Almost half (45.0%) of all the respondents are enrolled agents, followed by unlicensed practitioners at 26.6%. There were the same amount of registered/licensed practitioners as there were certified public accountants, 23.5%. In general, the CPA is more likely to be found at the larger firms. For example 10.9% of the respondents at firms with gross incomes of $200,000 and over reported that they were CPAs, while only 1.9% of the respondents at the smallest firms reported the same.

SAMPLE DEMOGRAPHICS	TOTAL	
	Count Percent	Count
TYPE OF PRACTICE		
Sole Practitioner	61.7%	943
Partnership	7.6%	116
Corporation	30.7%	470
REGION		
Northeast	27.7%	424
South	29.5%	452
North Central	21.9%	336
West	20.8%	319
COMMUNITY SIZE		
Large City	31.5%	482
Moderate City	32.4%	496
Small City	32.1%	492
Rural	4.0%	62
GROSS INCOME		
Under $50,000	21.8%	320
$50,000-99,999	23.1%	340
$100,000-199,999	29.1%	427
$200,000 & over	26.0%	382
FULL-TIME STAFF		
One	33.2%	479
Two	23.8%	344
3 or more	43.0%	620
Gender		
Male	84.4%	1297
Female	15.6%	239
TOTAL	100.0%	1540

⇧ *Demographics*

Most respondents (85.9%) have completed at least two years at a community college. Practically 90.0% of respondents in the northeast hold either a four year degree or a post graduate degree, compared to only 69.1% of the respondents from the north central region. The larger communities and the higher gross incomes meant more respondents with four year college degrees. However, when comparing post graduate degrees there was a different pattern; 23.1% of the respondents at the smallest firms held post graduate degrees, while only slightly more (24.3%) at the largest firms had similar degrees.

HIGHLIGHTS OF 1991

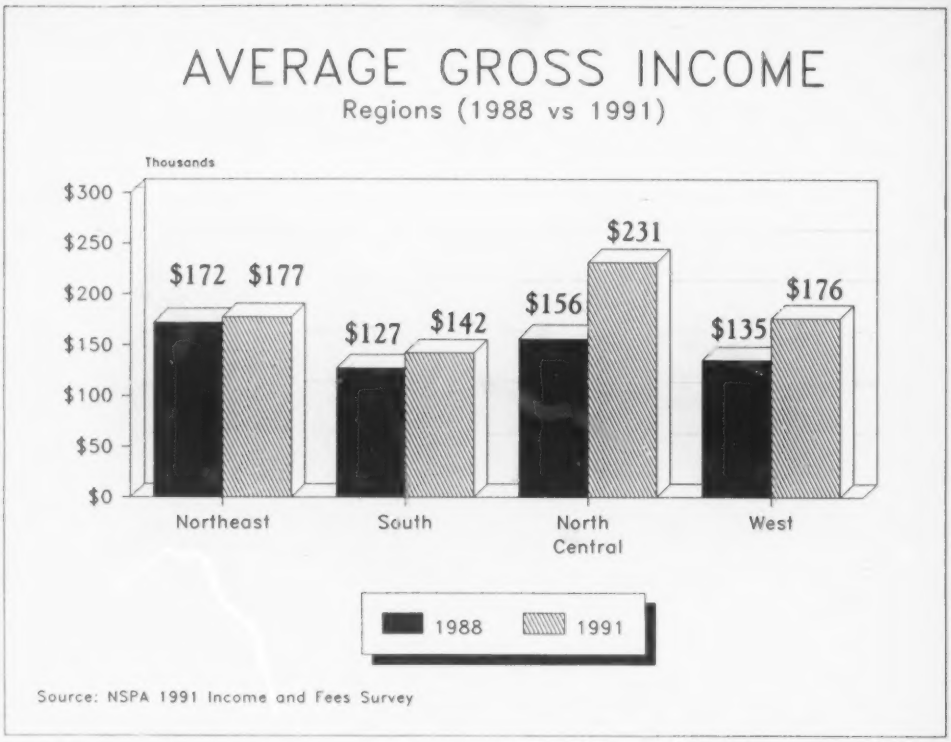
The average estimated gross income for accountants in public practice for 1991 is $178,773. The average net income is estimated at $63,154. The estimated net income is 35.3% of the gross income.

Sole proprietors, which represent 61.7% of the respondents, estimated their gross income to average $104,447, with net income at $47,668. Almost half (47.6%) of the sole proprietor's income is derived from tax return preparation. One-third (33.9%) of their income is from write-up work.

The sole proprietor is less likely to have professional liability insurance when compared to those in a partnership or corporation. Approximately one-half (52.8%) of the sole proprietors have insurance, compared to 69.0% of the partnership firms and 63.0% of the corporations. About 30.0% of the sole proprietors have tax practice coverage only, compared to 8.8% of those in partnerships and 17.4% in corporations. Most of the insurance in force provides comprehensive coverage.

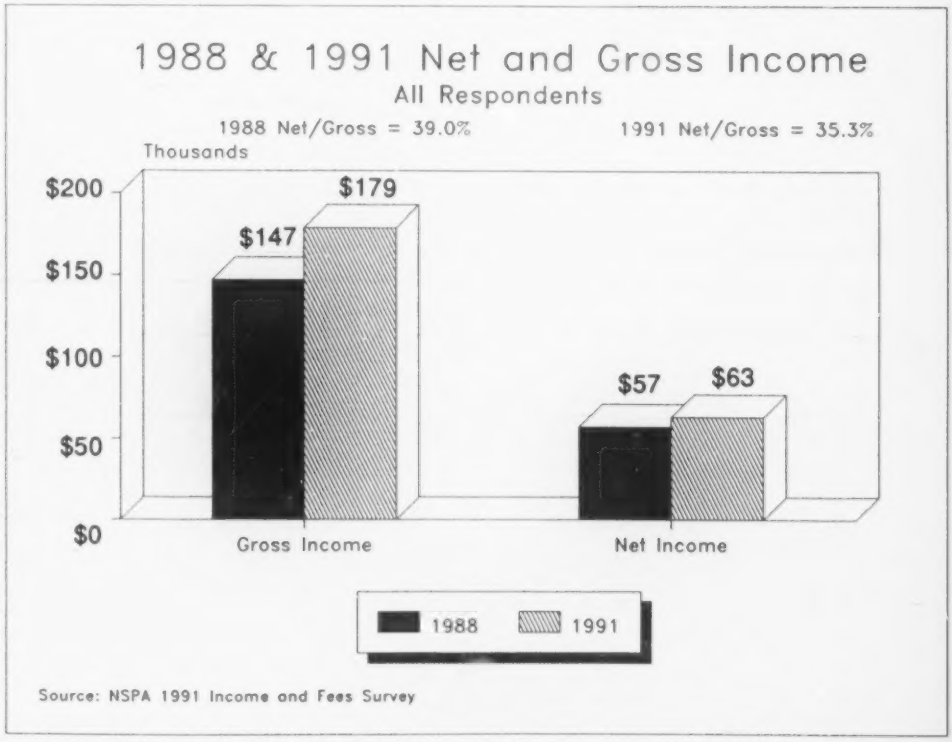
The respondents from the north central region report an average gross income of $230,616. This is the highest estimated average gross income among regional breakouts. The lowest estimated average gross income is $142,231 in the south. The estimated average net income is highest in the northeast ($72,225), followed closely by the north central region ($72,160). The respondents in the south have the lowest average net income — $50,550.

The average hourly rate for tax services is highest in the northeast at $81.79, while the north central has the lowest average rate of $59.67. For all services, from tax services to management advisory services, the average hourly fee is consistently highest in the northeast and lowest in the north central. The average salary for all positions starting with secretarial on up to the partners/associates is consistently highest in the northeast. The average salaries for all positions are also consistently higher in the larger firms. This holds true when comparing firm sizes in terms of gross income or number of full-time employees.



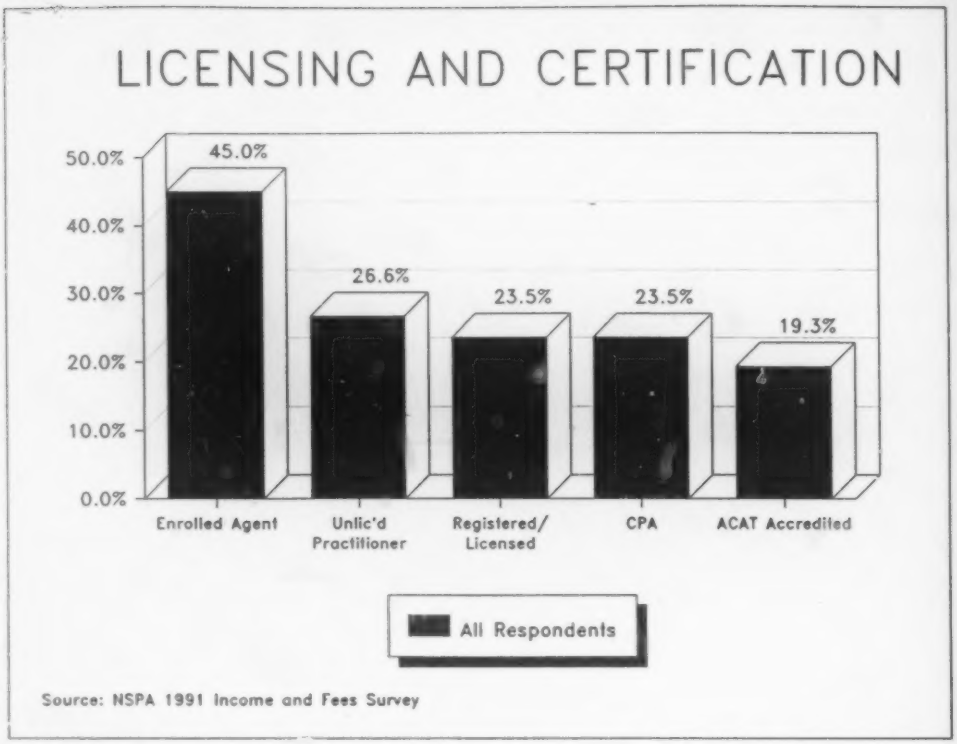
⇧ *Average Gross Income*

1988 & 1991 Net and Gross Income ⇩



COMPARATIVE HIGHLIGHTS

The 1988 survey reported an average gross income of $146,741; in 1991 it is $178,773. This is an increase of 21.8%. The estimated net income in 1988 averaged $57,257, while in 1991 it is estimated to be $63,154. The average estimated net income for the northeast was highest in both 1988 and 1991: $71,728 in 1988 and $72,225 in 1991. The ratio of average net income to average gross income is again highest in the northeast this year; the ratio is only slightly lower this year compared to 1988. Net income was 41.7% of gross income in 1988 while this year it is 40.8%.



⇧ *Licensing & Certification*

SAMPLE DEMOGRAPHICS	AGE		Years in Public Practice		LICENSING/CERTIFICATION				
	Count	Mean	Count	Mean	Enrolled Agent	Registered /Licensed	ACAT Accredited	Certified Public Accountant	Unlicensed Practitioner
TYPE OF PRACTICE									
Sole Practitioner	940	53.7	935	20.3	26.5%	16.7%	10.5%	11.7%	16.7%
Partnership	116	50.9	114	21.3	3.0%	1.6%	1.3%	3.8%	1.4%
Corporation	468	50.6	468	19.4	15.5%	5.1%	7.6%	8.0%	8.5%
REGION									
Northeast	422	52.2	419	21.0	8.6%	10.1%	3.8%	8.9%	6.0%
South	451	52.8	450	19.1	15.4%	5.5%	7.2%	5.7%	8.8%
North Central	335	51.3	335	20.8	11.3%	4.9%	4.8%	4.8%	5.5%
West	319	53.6	314	19.7	9.8%	3.0%	3.6%	4.0%	6.1%
COMMUNITY SIZE									
Large City	482	52.2	477	20.7	12.1%	5.8%	5.9%	10.2%	8.3%
Moderate City	495	52.6	491	19.5	16.7%	7.0%	6.5%	6.1%	9.0%
Small City	489	52.8	489	20.2	14.5%	9.8%	6.2%	6.3%	8.0%
Rural	62	51.7	62	19.0	1.6%	.8%	.6%	1.1%	1.4%
GROSS INCOME									
Under $50,000	317	55.0	315	18.0	9.5%	5.5%	3.9%	1.9%	7.5%
$50,000-99,999	337	53.9	336	20.1	10.3%	5.9%	4.3%	3.6%	7.4%
$100,000-199,999	426	50.9	425	20.0	13.9%	6.1%	5.8%	7.2%	6.9%
$200,000 & over	382	50.1	379	21.4	11.3%	5.8%	5.4%	10.9%	4.5%
FULL-TIME STAFF									
One	477	53.0	474	18.0	14.1%	8.0%	5.3%	5.9%	10.3%
Two	344	52.9	342	20.2	10.6%	5.0%	4.7%	4.8%	7.0%
3 or more	618	51.0	616	21.2	20.8%	10.2%	9.6%	13.0%	9.3%
GENDER									
Male	1,294	52.9	1,285	20.7	36.1%	21.1%	15.2%	21.5%	22.0%
Female	238	50.4	238	17.1	8.9%	2.3%	4.1%	2.0%	4.6%
TOTAL	1,533	52.5	1,525	20.1	45.0%	23.5%	19.3%	23.5%	26.6%

SAMPLE DEMOGRAPHICS	Highest Level of Schooling Completed						Total
	High School	Correspondence	Business School	Two Year Community College	Four Year College/ University	Post Graduate	
TYPE OF PRACTICE							
Sole Practitioner	4.0%	1.7%	9.1%	9.5%	52.9%	22.8%	100.0%
Partnership	.9%	2.6%	3.4%	6.9%	64.7%	21.6%	100.0%
Corporation	4.5%	2.3%	7.4%	12.1%	55.5%	18.1%	100.0%
REGION							
Northeast	2.1%	.5%	4.3%	4.3%	62.1%	26.8%	100.0%
South	4.7%	2.7%	9.3%	11.3%	54.1%	18.0%	100.0%
North Central	4.2%	3.0%	13.1%	10.7%	52.7%	16.4%	100.0%
West	5.3%	1.9%	6.6%	15.7%	47.5%	23.0%	100.0%
COMMUNITY SIZE							
Large City	2.5%	.6%	6.2%	7.3%	57.0%	26.4%	100.0%
Moderate City	3.8%	2.2%	7.5%	10.7%	55.8%	20.0%	100.0%
Small City	5.5%	2.7%	10.0%	12.2%	52.4%	17.1%	100.0%
Rural	4.8%	4.8%	12.9%	11.3%	45.2%	21.0%	100.0%
GROSS INCOME							
Under $50,000	5.4%	2.2%	9.5%	12.3%	47.5%	23.1%	100.0%
$50,000-99,999	4.7%	2.9%	11.2%	10.3%	51.9%	18.9%	100.0%
$100,000-199,999	4.2%	1.6%	7.5%	10.1%	58.9%	17.6%	100.0%
$200,000 & over	1.8%	1.6%	4.7%	7.9%	59.7%	24.3%	100.0%
FULL-TIME STAFF							
One	5.0%	1.0%	7.8%	9.4%	52.4%	24.3%	100.0%
Two	3.5%	2.6%	8.2%	10.8%	51.9%	23.0%	100.0%
3 or more	3.7%	2.1%	7.3%	10.5%	58.4%	18.1%	100.0%
Gender							
Male	2.3%	1.9%	7.3%	8.0%	58.2%	22.3%	100.0%
Female	13.0%	2.5%	12.2%	21.8%	36.1%	14.3%	100.0%
TOTAL	4.0%	2.0%	8.1%	10.1%	54.7%	21.1%	100.0%

⇦ *Age/Years in Public Practice/ Licensing & Certification*

⇧ *Highest Level of Schooling Completed*

SAMPLE DEMOGRAPHICS	Part Time Employees			Principals /Partners		
	Count	Mean	Median	Count	Mean	Median
TYPE OF PRACTICE						
Sole Practitioner	568	1.7	1.0	858	1.0	1.0
Partnership	76	2.0	2.0	116	2.4	2.0
Corporation	350	2.2	2.0	462	1.7	1.0
REGION						
Northeast	267	1.7	1.0	390	1.3	1.0
South	282	1.8	1.0	427	1.3	1.0
North Central	245	2.3	2.0	317	1.5	1.0
West	199	1.7	1.0	302	1.4	1.0
COMMUNITY SIZE						
Large City	294	1.8	2.0	459	1.4	1.0
Moderate City	333	2.1	1.0	460	1.4	1.0
Small City	333	1.9	1.0	461	1.3	1.0
Rural	34	1.7	2.0	57	1.1	1.0
GROSS INCOME						
Under $50,000	139	1.3	1.0	273	1.1	1.0
$50,000-99,999	212	1.6	1.0	314	1.1	1.0
$100,000-199,999	308	1.9	2.0	412	1.2	1.0
$200,000 & over	296	2.4	2.0	379	1.9	2.0
FULL-TIME STAFF						
One	256	1.5	1.0	479	1.0	1.0
Two	226	1.9	1.0	344	1.2	1.0
3 or more	456	2.2	2.0	619	1.7	1.0
GENDER						
Male	850	1.9	1.0	1,214	1.4	1.0
Female	149	2.0	1.0	226	1.2	1.0
TOTAL	999	1.9	1.0	1,442	1.4	1.0

⇦ *Part-Time Employees/ Principals/ Partners*

CREDENTIALS/ GENDER

Some of the data were cross tabulated with different variables. A summary section was made using credentials and gender as the breakout variables. In some cases, patterns can be found depending upon the type of certification, a good example being a CPA versus an unlicensed practitioner. When comparing credentials, the unlicensed practitioner has the lowest average gross and net income, while the certified public accountant reports the highest. The estimated gross income for the CPA is $301,312 with an estimated net income of $101,912.

SUMMARY	Years in Public Practice	Estimated Gross Income	Estimated Net Income	Total Full Time	Part Time Employees	Principals /Partners
	Mean	Mean	Mean	Mean	Mean	Mean
CREDENTIALS						
Enrolled Agent	20.0	$189,811	$63,726	3.6	2.0	1.4
Registered/ Licensed	26.1	$173,584	$63,203	3.5	1.8	1.4
ACAT Accredited	20.2	$162,809	$50,818	3.3	2.0	1.4
Certified Public Accountant	19.3	$301,312	$101,912	4.3	2.0	1.6
Unlicensed Practitioner	18.2	$125,427	$47,632	2.5	2.0	1.3
GENDER						
Male	20.7	$192,108	$67,887	3.3	1.9	1.4
Female	17.1	$109,621	$37,940	2.4	2.0	1.2
TOTAL	20.1	$178,773	$63,154	3.2	1.9	1.4

Demographics ⇧

A difference can also be seen between male and female gross and net income. While the males estimated a gross income of $192,108, the females estimated $109,621. In terms of net income, the males estimated an income that is $30,000 higher than the females. There is also a difference between years in public practice when comparing males and females. The males have about 3.5 more years of experience than the females.

Education ⇩

SUMMARY	Highest Level of Schooling Completed					
	High School	Correspondence	Business School	Two Year Community College	Four Year College/ University	Post Graduate
CREDENTIALS						
Enrolled Agent	6.1%	2.8%	9.9%	12.5%	50.4%	18.3%
Registered/ Licensed	3.7%	2.5%	11.5%	6.2%	60.3%	15.8%
ACAT Accredited	5.1%	3.4%	10.5%	13.6%	48.5%	19.0%
Certified Public Accountant	.3%	.6%	2.5%	2.0%	67.0%	27.7%
Unlicensed Practitioner	3.4%	2.2%	8.4%	13.1%	53.4%	19.5%
GENDER						
Male	2.3%	1.9%	7.3%	8.0%	58.2%	22.3%
Female	13.0%	2.5%	12.2%	21.8%	36.1%	14.3%
TOTAL	4.0%	2.0%	8.1%	10.1%	54.7%	21.1%

The educational background between males and females also varies. While nearly 60.0% of all males attended a four year college or university, only 36.1% of the females did the same. When compared to males, nearly three times as many females attended two year community colleges; 8.0% of all males compared to 21.8% of all females.

Computer Utilization ⇩

SUMMARY	Offer Electronic Filing For Federal Returns		Prepare Tax Returns By Computer		How Do You Have Access To The Computers			Computer For Other Than The Preparation Of Tax Returns	
	Yes	No	Yes	No	Own Or Lease	Use A Service Bureau	Both	Yes	No
CREDENTIALS									
Enrolled Agent	37.4%	62.6%	91.6%	8.4%	84.4%	13.6%	1.9%	88.0%	12.0%
Registered/ Licensed	21.8%	78.2%	82.7%	17.3%	88.1%	11.3%	.7%	80.5%	19.5%
ACAT Accredited	39.0%	61.0%	92.1%	7.9%	89.5%	8.6%	1.9%	90.4%	9.6%
Certified Public Accountant	22.0%	78.0%	94.9%	5.1%	75.1%	20.7%	4.2%	91.2%	8.8%
Unlicensed Practitioner	31.9%	68.1%	83.0%	17.0%	89.9%	8.7%	1.5%	86.0%	14.0%
GENDER									
Male	28.9%	71.1%	87.8%	12.2%	83.1%	14.3%	2.6%	86.1%	13.9%
Female	36.0%	64.0%	89.9%	10.1%	88.7%	10.8%	.5%	89.5%	10.5%
TOTAL	30.1%	69.9%	88.1%	11.9%	84.0%	13.7%	2.3%	86.5%	13.5%

SUMMARY	1040 NOT ITEMIZED		1040 ITEMIZED		1065 (PARTNER)		1120S (CORP.)		1041 FIDUCIARY	
	# returns	Avg. fee	# returns	Avg. fee	# returns	Avg. fee	# returns	Avg. fee	# returns	Avg. fee
	Mean	Mean	Mean	Mean	Mean	Mean	Mean	Mean	Mean	Mean
CREDENTIALS										
Enrolled Agent	121	$72	321	$170	15	$313	25	$421	8	$216
Registered/ Licensed	90	$68	295	$170	15	$323	25	$447	7	$217
ACAT Accredited	88	$72	302	$173	13	$312	26	$412	6	$231
Certified Public Accountant	82	$95	291	$229	19	$401	32	$542	14	$292
Unlicensed Practitioner	108	$62	249	$149	11	$271	21	$385	6	$235
GENDER										
Male	100	$74	284	$179	15	$329	25	$449	9	$245
Female	109	$68	265	$148	10	$263	16	$362	6	$196
TOTAL	101	$73	280	$175	14	$320	24	$436	8	$237

Federal Tax Returns ⇧ Approximately 40.0% of those with ACAT accreditation offer electronic filing, while only about 22.0% of the registered/licensed/CPA respondents offer the same. The certified public accountant prepares tax returns by computer the most often (94.9%). However, these respondents are also the most likely to use a service bureau (20.7%). The CPAs are also the most likely to use the computer for additional types of work other than tax return preparation (91.2%).

The certified public accountant reports the highest average fee for all types of tax returns. These respondents also report the highest number of returns prepared for three different forms, 1065 (Partnership), 1120S (Corporate) and 1041 (Fiduciary). The unlicensed practitioner reports the lowest average fees in all cases except for the form 1041 Fiduciary. Female respondents also report lower average fees in all cases when compared to males.

SUMMARY	Tax Services	Write-Up Work	Financial Statements	Audit Accounts	Management Advisory
	Mean	Mean	Mean	Mean	Mean
CREDENTIALS					
Enrolled Agent	$71.12	$46.87	$62.61	$69.78	$71.87
Registered/ Licensed	$73.04	$51.69	$69.85	$68.95	$72.21
ACAT Accredited	$72.33	$47.76	$63.80	$68.14	$71.83
Certified Public Accountant	$80.08	$54.63	$71.92	$80.17	$86.10
Unlicensed Practitioner	$67.97	$45.07	$58.76	$59.84	$69.02
GENDER					
Male	$74.55	$50.77	$67.43	$73.84	$76.26
Female	$57.10	$40.15	$51.27	$56.45	$56.82
TOTAL	$71.86	$49.13	$65.28	$71.96	$73.54

A similar pattern can be seen for the hourly fees for client services as was seen for the tax return fees. The certified public accountant reports the highest fees for all types of services, while the unlicensed practitioner reports the lowest in all cases.

Client Services *(Average Hourly Fees)* ⇧ ⇩ ***Client Services***

CLIENTS SERVED MEAN VALUES	TAX RETURNS		TAX SERVICES		WRITE UP WORK		STATEMENTS		AUDIT ACCTS		MNGT ADVISOR		OTHER	
	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross
CREDENTIALS														
Enrolled Agent	422.2	46.5%	30.9	7.7%	42.7	34.1%	7.0	4.7%	1.1	.9%	8.7	3.6%	4.0	2.5%
Registered /Licensed	361.2	42.8%	27.6	5.9%	42.6	37.2%	10.0	7.2%	1.9	1.7%	7.4	3.2%	1.2	2.0%
ACAT Accredited	386.0	42.9%	31.4	8.0%	44.4	36.6%	8.3	5.9%	.7	.9%	8.7	4.1%	3.9	1.7%
Certified Public Accountant	347.2	36.3%	39.6	6.9%	48.0	33.1%	18.8	12.8%	3.9	5.2%	7.9	3.7%	1.0	2.1%
Unlicensed Practitioner	341.2	45.4%	25.1	5.5%	33.6	38.8%	5.5	3.8%	.7	.5%	6.1	3.3%	3.2	2.6%
Gender														
Male	362.9	42.6%	31.1	6.9%	40.4	36.0%	9.6	6.9%	1.8	2.1%	7.0	3.4%	2.0	2.2%
Female	339.7	50.4%	27.3	5.6%	28.9	33.9%	4.3	3.4%	1.1	.9%	7.0	3.1%	4.4	2.7%
TOTAL	358.8	43.9%	30.4	6.7%	38.5	35.5%	8.8	6.4%	1.7	1.9%	7.0	3.4%	2.3	2.2%

When compared to other respondents in terms of credentials, the certified public accountant does not earn as much of their gross income from tax preparation as other practitioners — only 36.3%. The enrolled agent receives 46.5% for the same service. The CPAs also earn less gross income than other respondents from write-up work (33.1%), while the unlicensed practitioner earns 38.8%. The CPAs did, however, earn 12.8% of their gross income from financial statement preparation. Only 5.5% of the gross income of the unlicensed practitioner came from financial statements.

STATE SUMMARY

Information regarding tax return and client service fees were broken out by state. Some of the data are not shown because there were not enough respondents from some states.

Arizona, California, Hawaii, and New York are a few of the states that consistently report high average fees for the different types of tax return preparations. New York and California also have the most respondents reporting the average fees.

More than half (55.4%) of the gross income of the respondents in Alabama comes from write-up work, compared to 35.5% of all the respondents. Only 20.2% of the gross income of the respondents from Maine comes from write-up work. Virginia reports the highest percentage of gross income from tax return preparation (55.4%); Ohio reports the lowest (33.2%); the average for all respondents is 43.9%.

Client Services *(By State)* ⇩

CLIENTS SERVED MEAN VALUES	TAX RETURNS		TAX SERVICES		WRITE UP WORK		STATEMENTS		AUDIT ACCTS		MNGT ADVISOR		OTHER	
	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross
STATE														
Alabama	338.3	36.6%	10.4	3.6%	52.1	55.4%	3.0	1.3%	.2	.3%	8.7	2.2%	1.9	.7%
Arizona	195.1	45.4%	15.9	7.4%	18.8	31.2%	3.7	6.2%	1.1	.6%	12.9	4.7%	2.1	4.5%
Arkansas	451.3	48.8%	45.8	4.9%	47.4	37.9%	12.8	3.5%	4.4	.9%	6.4	3.6%	7.1	.3%
California	318.1	51.3%	23.0	5.7%	31.0	33.4%	5.2	4.5%	1.0	.8%	7.6	2.7%	3.2	1.6%
Colorado	263.3	36.8%	28.4	2.9%	34.0	45.4%	3.9	2.3%	2.2	.8%	2.9	3.2%	1.8	8.6%
Connecticut	344.5	46.4%	41.2	10.4%	36.1	24.7%	8.6	9.6%	.7	4.1%	10.1	3.9%	5.3	.9%
Florida	347.9	37.2%	58.9	8.6%	50.6	44.9%	6.5	2.5%	1.1	.8%	8.4	3.8%	2.3	2.2%
Georgia	224.6	40.3%	11.9	10.9%	20.1	40.5%	1.6	3.7%	.1	.1%	2.8	4.4%	.3	.1%
Hawaii	316.9	34.0%	33.2	6.7%	66.9	39.4%	14.7	8.3%	3.7	4.5%	13.9	5.6%	1.6	1.7%
Illinois	492.1	41.0%	28.2	6.3%	44.7	36.4%	8.9	6.9%	1.3	2.2%	8.0	3.1%	5.3	4.1%
Indiana	501.6	37.5%	6.8	6.2%	80.3	36.8%	19.9	8.2%	3.7	2.6%	7.0	3.2%	.3	5.4%
Iowa	682.1	50.9%	59.6	6.8%	53.7	37.0%	8.0	1.8%	2.9	1.2%	10.4	1.8%	8.7	.5%
Kansas	414.6	51.2%	35.0	4.9%	32.3	29.7%	7.1	3.2%	4.1	2.3%	9.2	2.7%	16.6	6.0%
Louisiana	348.3	38.2%	21.4	9.3%	22.9	41.6%	3.9	4.6%	.6	1.2%	.0	.1%	6.1	4.9%
Maine	378.7	53.3%	46.1	11.0%	16.0	20.2%	18.3	8.7%	1.1	1.4%	4.1	4.7%	.5	.7%
Maryland	355.4	50.2%	27.4	4.4%	46.8	35.0%	6.2	4.2%	1.2	2.4%	4.8	3.0%	.5	.9%
Massachusetts	382.9	43.3%	30.8	7.3%	28.2	25.2%	8.3	10.9%	1.4	3.9%	7.6	8.8%	.0	.6%
Michigan	387.8	39.5%	22.9	4.5%	63.4	47.7%	6.5	3.8%	.5	.8%	20.1	2.6%	3.2	1.1%
Minnesota	530.0	51.4%	28.1	5.4%	40.0	23.7%	23.3	9.8%	2.4	2.2%	5.5	2.9%	.9	4.7%
Missouri	568.4	45.6%	32.9	3.5%	41.0	40.8%	11.3	5.0%	4.4	2.9%	6.7	1.6%	1.3	.7%
New Jersey	258.9	39.3%	20.5	5.6%	42.8	39.3%	8.5	6.5%	.6	1.1%	4.8	4.6%	1.3	3.6%
New York	254.4	37.0%	36.4	8.3%	40.8	35.0%	13.3	11.3%	3.0	3.4%	4.1	2.8%	1.4	2.2%
North Carolina	390.2	41.4%	37.8	8.0%	36.4	39.0%	5.8	6.5%	.3	1.0%	9.7	3.4%	1.7	.8%
Ohio	465.5	33.2%	50.9	7.2%	58.2	44.7%	8.9	9.7%	.7	1.4%	6.6	3.7%	.0	.1%
Oregon	272.7	54.2%	63.0	6.6%	24.4	33.8%	3.8	3.4%	.1	.2%	.4	.4%	.7	1.4%
Pennsylvania	248.1	43.1%	46.3	9.5%	29.6	30.7%	9.2	11.8%	.6	1.8%	3.9	2.5%	2.0	.6%
South Carolina	442.8	42.5%	15.0	4.6%	33.6	41.6%	4.4	5.0%	.5	.8%	3.5	2.0%	.2	3.4%
Tennessee	310.3	42.9%	9.2	2.8%	33.5	39.6%	12.6	5.9%	1.8	6.2%	4.6	1.6%	1.4	1.0%
Texas	315.3	46.2%	32.1	9.0%	24.3	32.7%	4.7	3.2%	1.4	1.6%	7.5	6.2%	1.7	1.0%
Virginia	403.6	55.4%	18.9	4.0%	28.6	31.5%	7.3	4.2%	.4	.6%	4.2	1.9%	.9	2.4%
Washington	281.9	54.8%	16.8	5.9%	25.7	30.4%	5.5	2.7%	1.6	.6%	8.7	5.4%	.0	.2%
Wisconsin	625.1	54.5%	12.4	2.6%	71.2	31.3%	13.3	6.4%	1.9	.8%	3.5	2.6%	2.3	1.8%
TOTAL	358.8	43.9%	30.4	6.7%	38.5	35.5%	8.8	6.4%	1.7	1.9%	7.0	3.4%	2.3	2.2%

STATE SUMMARY	1040 Not itemized Avg. fee		1040 Itemized Avg. fee		1065 (Partner) Avg. fee		1120S (Corp.) Avg. fee		1041 Fiduciary Avg. fee	
	Count	Mean	Count	Mean	Count	Mean	Count	Mean	Count	Mean
STATE										
Alabama	15	$55	16	$118	15	$273	14	$323	8	$139
Arizona	29	$84	33	$179	24	$424	27	$421	20	$252
Arkansas	12	$45	12	$108	11	$171	11	$258	9	$138
California	94	$82	115	$219	100	$419	92	$510	83	$299
Colorado	28	$59	28	$146	27	$254	28	$279	15	$185
Connecticut	9	$94	14	$233	7	$444	9	$758	5	$169
Florida	76	$75	82	$161	60	$287	82	$335	43	$231
Georgia	15	$52	15	$157	10	$251	13	$337	5	$226
Hawaii	17	$86	17	$214	16	$400	16	$433	12	$356
Illinois	55	$78	58	$166	53	$267	54	$399	36	$188
Indiana	17	$57	17	$130	15	$297	17	$334	9	$119
Iowa	10	$49	15	$108	16	$208	14	$304	10	$141
Kansas	11	$83	11	$121	11	$402	11	$264	10	$168
Louisiana	16	$60	14	$119	11	$202	13	$264		
Maine	12	$65	13	$160	12	$305	13	$463	10	$187
Maryland	31	$79	36	$183	32	$308	32	$462	17	$229
Massachusetts	30	$74	34	$165	29	$315	30	$626	27	$268
Michigan	39	$62	43	$143	34	$237	38	$310	25	$189
Minnesota	34	$59	37	$157	32	$282	33	$317	23	$198
Missouri	30	$67	31	$116	27	$231	27	$331	21	$169
New Jersey	68	$71	76	$166	61	$320	65	$475	41	$187
New York	109	$96	142	$241	100	$494	110	$647	82	$332
North Carolina	40	$52	43	$128	38	$230	32	$336	25	$218
Ohio	28	$56	30	$151	27	$244	27	$309	17	$216
Oregon	9	$59	11	$248	10	$280	10	$394	8	$232
Pennsylvania	54	$78	59	$184	50	$353	50	$581	28	$183
South Carolina	19	$57	19	$136	16	$251	17	$406	12	$193
Tennessee	12	$43	14	$103	14	$194	13	$373	7	$170
Texas	46	$95	50	$211	46	$322	45	$430	33	$226
Virginia	29	$76	31	$185	24	$320	31	$384	19	$344
Washington	25	$78	30	$198	25	$305	27	$451	17	$254
Wisconsin	22	$60	23	$128	22	$269	22	$399	13	$184
TOTAL	1148	$73	1286	$175	1075	$320	1129	$436	762	$237

⇧ ***Federal Returns***

Client Services (Average Hourly Fees) ⇩

STATE SUMMARY	Tax Services		Write-Up Work		Financial Statements		Audit Accounts		Management Advisory	
	Count	Mean	Count	Mean	Count	Mean	Count	Mean	Count	Mean
STATE										
Alabama	13	$56.54	12	$30.83	8	$59.38	2	$62.50	5	$51.00
Arizona	30	$69.17	25	$43.44	17	$59.12	7	$52.14	21	$71.67
Arkansas					5	$57.00				
California	94	$92.77	90	$55.86	61	$75.15	23	$85.43	61	$92.30
Colorado	27	$61.52	24	$36.71	21	$45.29	2	$35.50	18	$56.17
Connecticut	16	$93.75	12	$53.75	10	$82.00	2	$95.00	9	$66.11
Florida	64	$80.31	65	$50.12	46	$70.04	11	$75.91	45	$78.44
Georgia	13	$68.85	9	$56.67	8	$68.75	3	$95.00	9	$74.44
Hawaii	21	$88.57	18	$66.67	18	$79.17	8	$93.75	14	$107.14
Illinois	57	$70.82	53	$48.07	43	$62.93	19	$58.05	39	$70.67
Indiana	16	$47.31	14	$38.79	16	$47.38	7	$59.29	14	$55.36
Iowa	16	$54.25	15	$34.53	11	$41.64	7	$47.86	14	$50.93
Kansas	10	$45.50	11	$29.00	8	$41.88			7	$79.29
Louisiana	16	$57.06	13	$37.69	9	$53.33	4	$56.25		
Maine	11	$64.73	11	$43.00	13	$60.54	5	$71.00	11	$63.82
Maryland	35	$74.63	32	$50.80	29	$68.79	10	$72.90	24	$72.08
Massachusetts	33	$80.52	31	$52.58	28	$71.50	15	$66.13	28	$78.21
Michigan	34	$65.79	32	$43.72	28	$50.50	8	$64.87	26	$58.81
Minnesota	36	$62.31	34	$38.50	31	$48.29	16	$48.94	26	$60.23
Missouri	26	$52.58	25	$39.20	18	$48.28	6	$60.00	16	$55.25
New Jersey	68	$83.46	63	$62.25	54	$83.52	25	$88.20	36	$82.78
New York	120	$92.53	106	$65.00	98	$88.12	62	$97.18	73	$98.63
North Carolina	41	$50.93	34	$39.50	31	$52.58	16	$60.00	24	$53.54
Ohio	28	$63.64	27	$52.96	26	$53.46	8	$60.00	20	$67.25
Oregon	11	$66.09	12	$40.17	8	$71.62				
Pennsylvania	54	$64.31	53	$49.62	46	$65.91	21	$66.43	33	$69.85
South Carolina	15	$62.13	13	$43.85	9	$55.56				
Tennessee	13	$60.38	11	$39.36	9	$65.00				
Texas	55	$68.96	51	$54.22	35	$65.86	15	$66.00	37	$73.41
Vermont	5	$64.00	5	$56.00	5	$68.00	2	$72.50	5	$63.00
Virginia	25	$70.52	20	$48.10	12	$60.25	3	$58.33	10	$67.30
Washington	24	$77.08	27	$40.48	25	$55.92	7	$66.86	21	$76.33
Wisconsin	24	$49.92	20	$33.65	16	$47.50	4	$55.00	14	$49.29
TOTAL	1158	$71.97	1072	$49.16	887	$65.30	367	$71.98	750	$73.57

NORTHEAST Summary

Demographics ⇩

REGIONAL SUMMARY	Gender		Years in Practice	Gross Income	Estimated Net Income	Total Full Time	Part Time Employees	Principals /Partners
	Male	Female	Mean	Mean	Mean	Mean	Mean	Mean
TYPE OF PRACTICE								
Sole Practitioner	90.0%	10.0%	20.9	$115,299	$54,998	1.9	1.6	1.0
Partnership	95.8%	4.2%	22.6	$407,628	$172,744	4.9	1.9	2.3
Corporation	97.3%	2.7%	20.1	$286,069	$81,721	3.8	2.1	1.5
GROSS INCOME								
Under $50,000	84.7%	15.3%	18.4	$26,129	$15,467	1.2	1.1	1.0
$50,000-99,999	87.1%	12.9%	20.8	$72,303	$40,641	1.3	1.6	1.0
$100,000-199,999	95.1%	4.9%	21.0	$134,260	$69,958	2.0	1.7	1.1
$200,000 & over	98.3%	1.7%	22.9	$399,537	$143,161	4.8	2.1	1.7
COMMUNITY SIZE								
Large City	95.7%	4.3%	22.2	$235,905	$101,519	2.9	1.7	1.4
Moderate City	92.4%	7.6%	20.6	$158,691	$68,041	2.6	1.7	1.3
Small City	89.0%	11.0%	20.5	$143,394	$51,998	2.4	1.8	1.1
Rural	88.9%	11.1%	18.6	$103,550	$38,465	2.1	1.5	1.1
TOTAL	92.0%	8.0%	21.0	$176,910	$72,225	2.6	1.7	1.3

Education/Credentials ⇩

REGIONAL SUMMARY	Highest Level of Schooling Completed						LICENSING/CERTIFICATION				
	High School	Corres-pondence	Business School	Two Year College	Four Year College	Post Graduate	Enrolled Agent	Regis-tered/ Licensed	ACAT Accred-ited	Cert. Public Accoun-tant	Unlicen-sed Practi-tioner
TYPE OF PRACTICE											
Sole Practitioner	3.0%	.3%	5.4%	5.0%	58.7%	27.5%	32.5%	41.4%	14.2%	23.4%	23.7%
Partnership	.0%	.0%	.0%	2.1%	77.1%	20.8%	27.1%	27.1%	8.3%	62.5%	14.6%
Corporation	.0%	1.4%	2.7%	2.7%	64.9%	28.4%	30.1%	21.9%	16.4%	49.3%	19.2%
GROSS INCOME											
Under $50,000	4.8%	.0%	8.4%	6.0%	50.6%	30.1%	30.1%	41.0%	14.5%	6.0%	39.8%
$50,000-99,999	3.2%	.0%	7.5%	6.5%	58.1%	24.7%	32.6%	39.1%	14.1%	25.0%	20.7%
$100,000-199,999	.0%	1.0%	2.9%	3.9%	74.8%	17.5%	36.3%	38.2%	14.7%	32.4%	17.6%
$200,000 & over	.8%	.8%	.0%	2.5%	62.8%	33.1%	27.5%	30.0%	14.2%	53.3%	14.2%
COMMUNITY SIZE											
Large City	.7%	.0%	.7%	4.3%	66.0%	28.4%	25.5%	28.4%	12.1%	46.1%	18.4%
Moderate City	3.4%	.8%	3.4%	1.7%	63.6%	27.1%	33.3%	38.5%	13.7%	27.4%	23.1%
Small City	2.8%	.7%	5.6%	6.3%	59.7%	25.0%	32.6%	44.7%	16.3%	24.8%	21.3%
Rural	.0%	.0%	27.8%	5.6%	38.9%	27.8%	50.0%	27.8%	5.6%	16.7%	38.9%
TOTAL	2.1%	.5%	4.3%	4.3%	62.1%	26.8%	31.3%	36.6%	13.9%	32.3%	21.8%

Computer Utilization ⇩

REGIONAL SUMMARY	Offer Electronic Filing For Federal Returns		Prepare Tax Returns By Computer		How Do You Have Access To The Computers			Computer For Other Than Prep of Tax Returns	
	Yes	No	Yes	No	Own Or Lease	Service Bureau	Both	Yes	No
TYPE OF PRACTICE									
Sole Practitioner	21.8%	78.2%	81.0%	19.0%	86.1%	12.2%	1.7%	72.9%	27.1%
Partnership	14.6%	85.4%	95.8%	4.2%	69.6%	23.9%	6.5%	91.7%	8.3%
Corporation	26.4%	73.6%	95.8%	4.2%	88.6%	8.6%	2.9%	93.1%	6.9%
GROSS INCOME									
Under $50,000	19.0%	81.0%	62.7%	37.3%	94.1%	5.9%	.0%	51.8%	48.2%
$50,000-99,999	21.7%	78.3%	81.3%	18.7%	89.3%	10.7%	.0%	75.8%	24.2%
$100,000-199,999	19.8%	80.2%	94.1%	5.9%	86.6%	12.4%	1.0%	85.3%	14.7%
$200,000 & over	26.9%	73.1%	96.7%	3.3%	76.5%	16.5%	7.0%	95.0%	5.0%
COMMUNITY SIZE									
Large City	16.1%	83.9%	87.0%	13.0%	69.7%	26.1%	4.2%	79.0%	21.0%
Moderate City	18.6%	81.4%	83.1%	16.9%	89.6%	8.3%	2.1%	77.6%	22.4%
Small City	29.4%	70.6%	86.7%	13.3%	92.9%	5.6%	1.6%	80.3%	19.7%
Rural	22.2%	77.8%	70.6%	29.4%	100.0%	.0%	.0%	66.7%	33.3%
TOTAL	21.6%	78.4%	85.1%	14.9%	84.5%	13.0%	2.5%	78.6%	21.4%

Federal Tax Returns ⇩

REGIONAL SUMMARY	1040 NOT ITEMIZED		1040 ITEMIZED		1065 (PARTNER)		1120S (CORP.)		1041 FIDUCIARY	
	# returns	Avg. fee	# returns	Avg. fee	# returns	Avg. fee	# returns	Avg. fee	# returns	Avg. fee
	Mean	Mean	Mean	Mean	Mean	Mean	Mean	Mean	Mean	Mean
TYPE OF PRACTICE										
Sole Practitioner	49	$77	209	$181	10	$332	18	$537	6	$218
Partnership	78	$94	338	$279	27	$550	57	$696	22	$340
Corporation	94	$91	369	$213	22	$487	41	$672	13	$353
GROSS INCOME										
Under $50,000	36	$63	96	$138	4	$278	6	$472	2	$196
$50,000-99,999	47	$74	163	$176	7	$269	13	$426	6	$194
$100,000-199,999	58	$84	235	$189	11	$361	23	$547	6	$272
$200,000 & over	93	$102	421	$271	28	$536	50	$766	16	$327
COMMUNITY SIZE										
Large City	64	$102	224	$268	17	$505	33	$708	15	$350
Moderate City	51	$74	265	$182	13	$357	30	$555	7	$233
Small City	63	$71	272	$160	13	$350	20	$510	7	$220
Rural	64	$61	209	$120	10	$249	14	$573	6	$132
TOTAL	59	$81	251	$199	14	$390	26	$580	10	$263

⇦ Client Services (Average Hourly Fees)

REGIONAL SUMMARY	Tax Services	Write-Up Work	Financial Statements	Audit Accounts	Management Advisory
	Mean	Mean	Mean	Mean	Mean
TYPE OF PRACTICE					
Sole Practitioner	$76.27	$55.70	$75.24	$77.34	$76.86
Partnership	$99.93	$64.50	$90.97	$101.32	$99.26
Corporation	$88.77	$60.07	$77.07	$87.50	$93.07
GROSS INCOME					
Under $50,000	$51.51	$44.19	$54.46	$53.61	$56.03
$50,000-99,999	$74.68	$57.14	$76.24	$68.68	$70.29
$100,000-199,999	$82.01	$57.40	$75.91	$80.67	$80.90
$200,000 & over	$102.07	$66.40	$89.00	$97.34	$103.31
COMMUNITY SIZE					
Large City	$94.62	$67.47	$92.83	$99.82	$104.76
Moderate City	$80.65	$56.33	$77.67	$77.03	$77.98
Small City	$74.51	$53.25	$69.47	$73.11	$71.14
Rural	$55.86	$39.06	$52.58	$65.00	$77.22
TOTAL	$81.79	$57.75	$78.14	$84.91	$83.64

Client Services ⇩

CLIENTS SERVED MEAN VALUES	TAX RETURNS		TAX SERVICES		WRITE UP WORK		STATEMENTS		AUDIT ACCTS		MNGT ADVISOR		OTHER	
	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross
TYPE OF PRACTICE														
Sole Practitioner	237.4	43.4%	18.6	6.8%	26.9	33.4%	6.3	8.9%	.9	1.6%	3.0	3.8%	1.2	2.0%
Partnership	355.7	35.4%	72.5	10.1%	65.8	30.3%	24.6	13.7%	2.7	5.3%	11.1	4.6%	1.7	.6%
Corporation	397.6	34.5%	67.5	9.3%	56.5	33.2%	22.8	11.7%	4.6	4.7%	10.9	3.6%	2.9	2.9%
GROSS INCOME														
Under $50,000	125.1	53.5%	14.4	7.4%	9.6	27.7%	1.4	3.9%	.4	1.1%	1.9	3.9%	1.4	2.4%
$50,000-99,999	203.1	43.0%	19.5	7.2%	20.9	33.2%	4.9	8.0%	.8	1.6%	3.0	4.2%	.9	2.7%
$100,000-199,999	280.8	37.8%	19.9	7.0%	35.1	38.3%	9.6	10.3%	1.3	2.0%	2.7	2.7%	1.2	1.8%
$200,000 & over	428.7	30.8%	69.5	8.8%	69.8	34.6%	24.0	15.6%	3.7	4.8%	10.8	4.4%	2.6	1.1%
COMMUNITY SIZE														
Large City	231.0	33.9%	49.0	8.8%	43.9	35.3%	14.6	13.0%	2.3	3.2%	4.8	3.8%	1.2	2.0%
Moderate City	285.0	39.8%	25.1	7.9%	35.5	34.1%	11.6	10.4%	1.1	2.3%	4.5	3.1%	1.5	2.5%
Small City	316.4	48.0%	25.8	6.0%	30.8	30.1%	8.1	7.0%	1.8	2.5%	6.0	4.5%	1.8	2.0%
Rural	268.0	45.1%	15.9	9.9%	26.7	32.1%	5.3	7.1%	1.0	1.0%	6.3	3.4%	1.4	1.5%
TOTAL	276.8	40.7%	32.7	7.7%	36.2	33.1%	11.1	10.0%	1.7	2.6%	5.2	3.8%	1.5	2.1%

SOUTH Summary

Demographics ⇩

REGIONAL SUMMARY	Gender		Years in Practice	Gross Income	Estimated Net Income	Total Full Time	Part Time Employees	Principals /Partners
	Male	Female	Mean	Mean	Mean	Mean	Mean	Mean
TYPE OF PRACTICE								
Sole Practitioner	79.9%	20.1%	19.6	$96,870	$43,036	2.2	1.7	1.1
Partnership	85.7%	14.3%	20.9	$243,406	$102,444	4.5	1.8	2.4
Corporation	86.2%	13.8%	17.8	$206,425	$56,984	3.9	1.9	1.6
GROSS INCOME								
Under $50,000	74.5%	25.5%	17.7	$27,144	$16,155	1.2	1.3	1.1
$50,000-99,999	79.4%	20.6%	18.8	$71,064	$32,873	1.9	1.6	1.2
$100,000-199,999	83.3%	16.7%	19.4	$140,347	$52,719	3.0	1.7	1.3
$200,000 & over	93.6%	6.4%	19.4	$356,657	$105,110	5.7	2.2	1.8
COMMUNITY SIZE								
Large City	86.8%	13.2%	18.6	$179,213	$62,566	3.0	2.0	1.4
Moderate City	82.1%	17.9%	19.2	$151,827	$52,425	3.2	1.8	1.3
Small City	79.2%	20.8%	19.5	$104,673	$39,016	2.7	1.6	1.2
Rural	80.0%	20.0%	19.0	$90,262	$40,933	2.2	1.7	1.2
TOTAL	82.5%	17.5%	19.1	$142,231	$50,550	2.9	1.8	1.3

Education/Credentials ⇩

REGIONAL SUMMARY	Highest Level of Schooling Completed						LICENSING/CERTIFICATION				
	High School	Correspondence	Business School	Two Year College	Four Year College	Post Graduate	Enrolled Agent	Registered/ Licensed	ACAT Accredited	Cert. Public Accountant	Unlicensed Practitioner
TYPE OF PRACTICE											
Sole Practitioner	4.9%	3.0%	11.2%	10.1%	52.6%	18.3%	48.3%	22.1%	21.0%	19.5%	28.8%
Partnership	.0%	4.8%	.0%	14.3%	61.9%	19.0%	52.4%	9.5%	23.8%	28.6%	38.1%
Corporation	4.4%	1.9%	7.5%	13.2%	55.3%	17.6%	57.9%	14.5%	30.2%	18.2%	30.8%
GROSS INCOME											
Under $50,000	6.4%	3.7%	12.8%	10.1%	48.6%	18.3%	55.5%	20.0%	19.1%	9.1%	31.8%
$50,000-99,999	3.9%	4.9%	11.8%	13.7%	51.0%	14.7%	47.0%	21.0%	23.0%	12.0%	44.0%
$100,000-199,999	4.0%	1.6%	7.9%	12.7%	55.6%	18.3%	53.2%	15.1%	27.0%	26.2%	24.6%
$200,000 & over	3.2%	1.1%	4.3%	6.4%	64.9%	20.2%	53.2%	19.1%	28.7%	31.9%	19.1%
COMMUNITY SIZE											
Large City	3.7%	.0%	6.6%	5.9%	57.4%	26.5%	48.1%	14.1%	24.4%	23.0%	34.1%
Moderate City	4.7%	2.7%	11.3%	12.0%	52.7%	16.7%	56.0%	18.0%	26.0%	14.7%	30.0%
Small City	6.3%	4.9%	10.4%	15.3%	52.8%	10.4%	53.8%	25.2%	23.8%	18.9%	24.5%
Rural	.0%	5.0%	5.0%	15.0%	55.0%	20.0%	35.0%	10.0%	20.0%	35.0%	40.0%
TOTAL	4.7%	2.7%	9.3%	11.3%	54.1%	18.0%	52.1%	18.7%	24.5%	19.4%	29.8%

Computer Utilization ⇩

REGIONAL SUMMARY	Offer Electronic Filing For Federal Returns		Prepare Tax Returns By Computer		How Do You Have Access To The Computers			Computer For Other Than Prep of Tax Returns	
	Yes	No	Yes	No	Own Or Lease	Service Bureau	Both	Yes	No
TYPE OF PRACTICE									
Sole Practitioner	30.1%	69.9%	85.0%	15.0%	91.2%	8.4%	.4%	87.8%	12.2%
Partnership	28.6%	71.4%	90.0%	10.0%	77.8%	16.7%	5.6%	95.0%	5.0%
Corporation	40.1%	59.9%	94.3%	5.7%	92.5%	6.8%	.7%	94.9%	5.1%
GROSS INCOME									
Under $50,000	28.4%	71.6%	79.8%	20.2%	90.8%	9.2%	.0%	79.2%	20.8%
$50,000-99,999	34.3%	65.7%	85.0%	15.0%	92.9%	5.9%	1.2%	90.0%	10.0%
$100,000-199,999	36.0%	64.0%	91.3%	8.7%	96.5%	3.5%	.0%	94.4%	5.6%
$200,000 & over	35.1%	64.9%	98.9%	1.1%	82.8%	15.1%	2.2%	97.9%	2.1%
COMMUNITY SIZE									
Large City	25.8%	74.2%	89.5%	10.5%	85.8%	14.2%	.0%	88.7%	11.3%
Moderate City	36.0%	64.0%	90.7%	9.3%	93.4%	5.1%	1.5%	96.6%	3.4%
Small City	38.5%	61.5%	83.0%	17.0%	93.0%	6.1%	.9%	85.6%	14.4%
Rural	30.0%	70.0%	100.0%	.0%	95.0%	5.0%	.0%	90.0%	10.0%
TOTAL	33.6%	66.4%	88.3%	11.7%	91.1%	8.2%	.8%	90.5%	9.5%

Federal Tax Returns ⇩

REGIONAL SUMMARY	1040 NOT ITEMIZED		1040 ITEMIZED		1065 (PARTNER)		1120S (CORP.)		1041 FIDUCIARY	
	# returns	Avg. fee	# returns	Avg. fee	# returns	Avg. fee	# returns	Avg. fee	# returns	Avg. fee
	Mean	Mean	Mean	Mean	Mean	Mean	Mean	Mean	Mean	Mean
TYPE OF PRACTICE										
Sole Practitioner	115	$68	216	$147	10	$251	15	$364	5	$182
Partnership	121	$74	272	$225	24	$373	33	$584	9	$214
Corporation	123	$70	321	$175	15	$306	37	$398	9	$308
GROSS INCOME										
Under $50,000	69	$64	96	$121	4	$215	6	$331	3	$155
$50,000-99,999	122	$60	174	$140	8	$233	14	$330	5	$202
$100,000-199,999	160	$66	320	$154	14	$268	25	$398	6	$258
$200,000 & over	111	$86	435	$235	23	$367	52	$478	12	$291
COMMUNITY SIZE										
Large City	62	$79	269	$205	12	$335	27	$423	8	$324
Moderate City	148	$67	281	$155	12	$284	26	$392	7	$237
Small City	132	$63	224	$131	14	$234	21	$357	7	$197
Rural	129	$60	217	$116	13	$206	13	$292	6	$139
TOTAL	118	$68	257	$161	13	$276	24	$385	7	$238

⇦ Client Services (Average Hourly Fees)

REGIONAL SUMMARY	Tax Services	Write-Up Work	Financial Statements	Audit Accounts	Management Advisory
	Mean	Mean	Mean	Mean	Mean
TYPE OF PRACTICE					
Sole Practitioner	$61.40	$45.96	$61.51	$65.54	$64.38
Partnership	$71.94	$49.56	$58.85	$57.00	$67.50
Corporation	$76.06	$49.36	$65.10	$64.03	$75.05
GROSS INCOME					
Under $50,000	$53.42	$40.34	$48.49	$50.00	$51.89
$50,000-99,999	$58.97	$44.83	$55.14	$63.93	$57.79
$100,000-199,999	$73.64	$51.20	$68.86	$70.96	$73.76
$200,000 & over	$83.04	$52.56	$71.14	$67.62	$83.82
COMMUNITY SIZE					
Large City	$78.04	$54.74	$72.42	$77.87	$76.71
Moderate City	$68.43	$46.82	$62.18	$67.68	$68.91
Small City	$56.51	$41.95	$55.17	$52.65	$60.51
Rural	$54.36	$41.47	$54.42	$48.75	$54.67
TOTAL	$67.10	$47.36	$62.65	$64.26	$68.85

Client Services ⇩

CLIENTS SERVED MEAN VALUES	TAX RETURNS		TAX SERVICES		WRITE UP WORK		STATEMENTS		AUDIT ACCTS		MNGT ADVISOR		OTHER	
	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross
TYPE OF PRACTICE														
Sole Practitioner	311.3	46.5%	24.9	6.4%	28.6	38.4%	3.7	3.3%	.6	1.1%	5.7	3.1%	3.1	1.2%
Partnership	324.3	40.2%	93.9	11.3%	40.3	30.1%	20.2	10.1%	3.0	5.0%	4.8	3.0%	1.9	.5%
GROSS INCOME														
Under $50,000	151.6	52.7%	14.3	6.2%	10.3	33.8%	1.5	3.7%	.2	.6%	1.7	1.8%	5.6	1.3%
$50,000-99,999	284.5	41.6%	18.9	7.5%	25.5	42.5%	2.9	3.4%	.5	.4%	4.4	3.7%	1.9	1.0%
$100,000-199,999	443.5	43.0%	46.7	7.6%	43.4	39.7%	5.4	3.6%	.6	1.4%	8.1	3.8%	1.2	.8%
$200,000 & over	540.7	34.9%	45.5	7.8%	70.5	38.9%	16.8	6.0%	3.7	4.5%	12.6	4.8%	2.2	3.2%
Corporation	428.6	38.6%	37.1	8.1%	50.7	40.0%	8.9	4.5%	1.9	1.9%	9.0	4.3%	2.0	2.6%
COMMUNITY SIZE														
Large City	319.8	41.3%	24.8	6.5%	41.1	40.3%	7.8	4.5%	.8	1.1%	10.0	5.1%	.9	1.1%
Moderate City	416.4	41.0%	32.2	7.4%	40.0	39.4%	6.1	3.8%	1.7	2.4%	6.2	3.3%	2.2	2.6%
Small City	328.4	47.0%	35.2	8.0%	31.6	36.7%	5.4	3.5%	1.1	1.0%	4.2	2.5%	4.7	1.2%
Rural	295.7	49.8%	62.4	5.0%	27.1	34.8%	3.3	6.2%	1.0	2.7%	5.5	1.2%	1.8	.2%
TOTAL	353.8	43.4%	32.4	7.2%	37.1	38.6%	6.3	4.0%	1.2	1.6%	6.8	3.5%	2.6	1.6%

NORTH CENTRAL Summary

Demographics ⇩

REGIONAL SUMMARY	Gender		Years in Practice	Gross Income	Estimated Net Income	Total Full Time	Part Time Employees	Principals /Partners
	Male	Female	Mean	Mean	Mean	Mean	Mean	Mean
TYPE OF PRACTICE								
Sole Practitioner	78.1%	21.9%	20.5	$96,135	$41,911	2.1	2.0	1.0
Partnership	84.6%	15.4%	21.3	$306,009	$92,266	5.9	2.5	2.3
Corporation	88.3%	11.7%	20.8	$391,810	$110,526	6.8	2.6	2.0
GROSS INCOME								
Under $50,000	65.6%	34.4%	18.1	$26,359	$12,649	1.4	1.2	1.1
$50,000-99,999	82.5%	17.5%	21.3	$68,735	$32,563	1.9	1.9	1.2
$100,000-199,999	83.5%	16.5%	20.4	$137,778	$49,804	2.9	2.3	1.2
$200,000 & over	94.6%	5.4%	21.9	$586,858	$169,556	9.4	3.1	2.3
COMMUNITY SIZE								
Large City	91.1%	8.9%	21.0	$288,002	$89,386	5.3	2.1	1.7
Moderate City	82.4%	17.6%	20.1	$280,440	$93,059	4.8	2.5	1.6
Small City	79.0%	21.0%	21.1	$168,463	$49,488	3.5	2.3	1.4
Rural	68.8%	31.3%	19.1	$80,638	$32,606	2.1	2.0	1.0
TOTAL	82.9%	17.1%	20.8	$230,616	$72,160	4.4	2.3	1.5

Education/Credentials ⇩

REGIONAL SUMMARY	Highest Level of Schooling Completed						LICENSING/CERTIFICATION				
	High School	Corres-pondence	Business School	Two Year College	Four Year College	Post Graduate	Enrolled Agent	Regis-tered/ Licensed	ACAT Accred-ited	Cert. Public Accoun-tant	Unlicen-sed Practi-tioner
TYPE OF PRACTICE											
Sole Practitioner	3.5%	2.4%	15.9%	11.2%	48.8%	18.2%	46.7%	21.9%	17.2%	15.4%	29.0%
Partnership	.0%	7.7%	11.5%	3.8%	61.5%	15.4%	46.2%	30.8%	26.9%	42.3%	11.5%
Corporation	5.8%	2.9%	10.1%	11.6%	55.1%	14.5%	58.0%	21.0%	26.8%	25.4%	22.5%
GROSS INCOME											
Under $50,000	3.1%	3.1%	10.8%	16.9%	43.1%	23.1%	43.8%	14.1%	25.0%	12.5%	31.3%
$50,000-99,999	7.9%	3.2%	15.9%	6.3%	54.0%	12.7%	49.2%	30.2%	15.9%	7.9%	28.6%
$100,000-199,999	6.7%	3.8%	13.5%	9.6%	52.9%	13.5%	51.9%	18.3%	17.3%	21.2%	24.0%
$200,000 & over	.0%	2.2%	10.8%	10.8%	57.0%	19.4%	54.8%	26.9%	28.0%	39.8%	19.4%
COMMUNITY SIZE											
Large City	3.3%	2.2%	10.0%	8.9%	50.0%	25.6%	42.2%	20.0%	22.2%	27.8%	28.9%
Moderate City	2.9%	2.9%	10.8%	12.7%	59.8%	10.8%	60.8%	21.6%	25.5%	19.6%	26.5%
Small City	5.6%	3.2%	17.5%	9.5%	49.2%	15.1%	52.0%	24.0%	18.4%	18.4%	21.6%
Rural	6.3%	6.3%	6.3%	18.8%	50.0%	12.5%	31.3%	25.0%	18.8%	31.3%	25.0%
TOTAL	4.2%	3.0%	13.1%	10.7%	52.7%	16.4%	51.3%	22.4%	21.8%	21.8%	25.1%

Computer Utilization ⇩

REGIONAL SUMMARY	Offer Electronic Filing For Federal Returns		Prepare Tax Returns By Computer		How Do You Have Access To The Computers			Computer For Other Than Prep of Tax Returns	
	Yes	No	Yes	No	Own Or Lease	Service Bureau	Both	Yes	No
TYPE OF PRACTICE									
Sole Practitioner	32.1%	67.9%	83.3%	16.7%	87.7%	10.1%	2.2%	81.3%	18.7%
Partnership	52.0%	48.0%	100.0%	.0%	84.0%	8.0%	8.0%	100.0%	.0%
Corporation	41.3%	58.7%	92.0%	8.0%	87.9%	9.7%	2.4%	93.5%	6.5%
GROSS INCOME									
Under $50,000	32.3%	67.7%	70.8%	29.2%	84.8%	13.0%	2.2%	75.0%	25.0%
$50,000-99,999	36.5%	63.5%	76.2%	23.8%	93.8%	2.1%	4.2%	77.8%	22.2%
$100,000-199,999	38.8%	61.2%	96.1%	3.9%	87.4%	11.6%	1.1%	93.2%	6.8%
$200,000 & over	40.2%	59.8%	100.0%	.0%	87.0%	8.7%	4.3%	97.8%	2.2%
COMMUNITY SIZE									
Large City	30.3%	69.7%	87.6%	12.4%	80.8%	14.1%	5.1%	86.2%	13.8%
Moderate City	39.2%	60.8%	89.2%	10.8%	86.4%	12.5%	1.1%	91.2%	8.8%
Small City	40.8%	59.2%	91.3%	8.7%	92.9%	4.5%	2.7%	88.1%	11.9%
Rural	37.5%	62.5%	62.5%	37.5%	90.0%	10.0%	.0%	75.0%	25.0%
TOTAL	37.2%	62.8%	88.3%	11.7%	87.5%	9.7%	2.8%	88.0%	12.0%

Federal Tax Returns ⇩

REGIONAL SUMMARY	1040 NOT ITEMIZED		1040 ITEMIZED		1065 (PARTNER)		1120S (CORP.)		1041 FIDUCIARY	
	# returns	Avg. fee	# returns	Avg. fee	# returns	Avg. fee	# returns	Avg. fee	# returns	Avg. fee
	Mean	Mean	Mean	Mean	Mean	Mean	Mean	Mean	Mean	Mean
TYPE OF PRACTICE										
Sole Practitioner	145	$61	252	$127	11	$228	15	$327	8	$158
Partnership	177	$65	596	$147	33	$235	39	$329	25	$192
Corporation	154	$70	472	$160	23	$295	40	$349	10	$201
GROSS INCOME										
Under $50,000	76	$47	109	$99	5	$226	6	$294	4	$162
$50,000-99,999	137	$63	292	$121	11	$248	16	$239	5	$161
$100,000-199,999	172	$71	302	$140	13	$238	19	$377	10	$173
$200,000 & over	187	$71	699	$183	36	$299	60	$373	16	$203
COMMUNITY SIZE										
Large City	68	$74	285	$181	15	$301	36	$423	8	$240
Moderate City	121	$69	407	$141	17	$287	26	$335	9	$191
Small City	238	$57	420	$121	22	$214	27	$284	13	$145
Rural	116	$57	173	$119	7	$243	14	$335	7	$171
TOTAL	150	$65	368	$143	18	$259	28	$336	10	$180

⇦ Client Services (Average Hourly Fees)

REGIONAL SUMMARY	Tax Services	Write-Up Work	Financial Statements	Audit Accounts	Management Advisory
	Mean	Mean	Mean	Mean	Mean
TYPE OF PRACTICE					
Sole Practitioner	$53.22	$38.87	$47.49	$43.77	$52.62
Partnership	$54.64	$39.58	$50.22	$54.08	$57.50
Corporation	$67.19	$43.04	$54.98	$64.97	$69.12
GROSS INCOME					
Under $50,000	$45.33	$36.67	$43.10	$40.00	$41.25
$50,000-99,999	$53.94	$40.00	$48.68	$44.50	$50.74
$100,000-199,999	$61.39	$40.20	$50.06	$52.25	$61.06
$200,000 & over	$70.43	$46.75	$57.44	$63.53	$73.49
COMMUNITY SIZE					
Large City	$67.92	$48.71	$59.95	$64.41	$74.79
Moderate City	$61.09	$42.44	$51.92	$63.91	$62.39
Small City	$54.17	$35.62	$45.98	$45.68	$50.45
Rural	$48.08	$44.17	$45.83	$42.50	$58.13
TOTAL	$59.67	$41.63	$51.44	$55.54	$61.16

Client Services ⇩

CLIENTS SERVED MEAN VALUES	TAX RETURNS		TAX SERVICES		WRITE UP WORK		STATEMENTS		AUDIT ACCTS		MNGT ADVISOR		OTHER	
	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross
TYPE OF PRACTICE														
Sole Practitioner	365.5	51.0%	21.0	5.7%	26.4	31.5%	5.6	5.4%	1.4	1.8%	4.3	2.2%	3.3	2.4%
Partnership	800.7	43.3%	47.4	3.6%	73.0	37.7%	31.2	8.9%	5.0	4.0%	6.2	1.1%	.4	1.4%
GROSS INCOME														
Under $50,000	160.1	56.8%	8.0	6.0%	8.9	26.1%	1.4	5.3%	.4	.6%	2.1	2.3%	.6	2.7%
$50,000-99,999	408.7	53.7%	10.4	2.6%	23.3	31.7%	5.4	6.4%	.6	1.3%	2.4	1.6%	6.5	2.7%
$100,000-199,999	479.1	41.0%	37.7	7.0%	41.1	38.1%	9.3	6.1%	2.6	3.2%	6.8	2.4%	3.7	2.1%
$200,000 & over	873.2	33.2%	49.6	4.8%	118.2	43.5%	28.9	9.1%	4.1	2.5%	19.9	3.6%	2.8	3.4%
Corporation	608.6	35.6%	34.3	5.7%	79.6	41.7%	16.5	8.0%	2.6	2.1%	14.7	3.6%	3.8	3.3%
COMMUNITY SIZE														
Large City	316.5	37.2%	29.1	5.4%	61.5	39.7%	8.6	7.6%	3.1	2.4%	16.0	4.6%	1.7	3.1%
Moderate City	523.3	40.4%	28.8	5.8%	57.3	39.4%	14.3	6.8%	1.6	2.0%	6.7	2.0%	6.0	3.4%
Small City	630.2	51.4%	30.6	5.4%	44.3	32.1%	12.9	6.1%	2.2	1.9%	6.0	2.0%	2.7	1.1%
Rural	306.3	52.9%	18.6	3.4%	20.1	27.4%	9.7	6.5%	.6	1.2%	2.2	.7%	.0	7.8%
TOTAL	497.5	44.0%	29.0	5.6%	51.4	36.2%	12.0	6.8%	2.2	2.1%	8.6	2.7%	3.3	2.7%

WEST Summary

Demographics ⇩

REGIONAL SUMMARY	Gender		Years in Practice	Gross Income	Estimated Net Income	Total Full Time	Part Time Employees	Principals /Partners
	Male	Female	Mean	Mean	Mean	Mean	Mean	Mean
TYPE OF PRACTICE								
Sole Practitioner	78.9%	21.1%	20.0	$106,726	$48,357	2.0	1.9	1.1
Partnership	76.2%	23.8%	18.6	$441,864	$165,806	6.6	1.7	2.7
Corporation	78.6%	21.4%	19.3	$253,049	$55,313	3.9	1.6	1.6
GROSS INCOME								
Under $50,000	67.8%	32.2%	17.8	$24,601	$12,708	1.1	1.6	1.1
$50,000-99,999	71.4%	28.6%	19.3	$69,142	$35,022	1.7	1.5	1.2
$100,000-199,999	78.5%	21.5%	19.3	$134,781	$56,011	2.3	1.9	1.1
$200,000 & over	90.4%	9.6%	20.8	$463,831	$122,543	6.4	1.9	2.1
COMMUNITY SIZE								
Large City	81.6%	18.4%	21.3	$224,345	$67,430	3.2	1.5	1.4
Moderate City	77.9%	22.1%	18.1	$164,363	$58,291	2.9	2.0	1.4
Small City	78.4%	21.6%	19.5	$133,608	$47,690	2.6	1.8	1.4
Rural	37.5%	62.5%	19.9	$77,375	$33,313	2.1	1.3	1.1
TOTAL	78.4%	21.6%	19.7	$176,059	$58,300	2.9	1.7	1.4

Education/Credentials ⇩

REGIONAL SUMMARY	Highest Level of Schooling Completed						LICENSING/CERTIFICATION				
	High School	Corres-pondence	Business School	Two Year College	Four Year College	Post Graduate	Enrolled Agent	Regis-tered/ Licensed	ACAT Accred-ited	Cert. Public Accoun-tant	Unlicen-sed Practi-tioner
TYPE OF PRACTICE											
Sole Practitioner	5.1%	1.5%	6.6%	14.1%	47.0%	25.8%	49.5%	17.2%	16.7%	14.6%	27.8%
Partnership	4.8%	.0%	4.8%	14.3%	42.9%	33.3%	47.6%	4.8%	14.3%	47.6%	14.3%
Corporation	6.1%	3.1%	7.1%	18.4%	50.0%	15.3%	42.3%	10.3%	18.6%	22.7%	35.1%
GROSS INCOME											
Under $50,000	6.8%	1.7%	3.4%	20.3%	45.8%	22.0%	41.4%	25.9%	13.8%	8.6%	37.9%
$50,000-99,999	5.2%	3.9%	11.7%	14.3%	41.6%	23.4%	55.3%	11.8%	21.1%	13.2%	34.2%
$100,000-199,999	6.5%	.0%	5.4%	14.1%	53.3%	20.7%	48.4%	12.9%	18.3%	18.3%	26.9%
$200,000 & over	4.1%	2.7%	5.5%	15.1%	52.1%	20.5%	42.5%	8.2%	12.3%	38.4%	16.4%
COMMUNITY SIZE											
Large City	2.7%	.9%	9.7%	11.5%	51.3%	23.9%	39.5%	9.6%	17.5%	29.8%	23.7%
Moderate City	4.1%	2.5%	4.1%	16.4%	48.4%	24.6%	57.0%	10.7%	14.9%	13.2%	30.6%
Small City	9.5%	1.4%	5.4%	23.0%	41.9%	18.9%	42.5%	27.4%	19.2%	13.7%	37.0%
Rural	25.0%	12.5%	12.5%	.0%	25.0%	25.0%	50.0%	12.5%	12.5%	12.5%	25.0%
TOTAL	5.3%	1.9%	6.6%	15.7%	47.5%	23.0%	47.0%	14.2%	17.0%	19.2%	29.3%

Computer Utilization ⇩

REGIONAL SUMMARY	Offer Electronic Filing For Federal Returns		Prepare Tax Returns By Computer		How Do You Have Access To The Computers			Computer For Other Than Prep of Tax Returns	
	Yes	No	Yes	No	Own Or Lease	Service Byreau	Both	Yes	No
TYPE OF PRACTICE									
Sole Practitioner	26.9%	73.1%	89.3%	10.7%	69.0%	29.3%	1.7%	86.2%	13.8%
Partnership	23.8%	76.2%	95.2%	4.8%	65.0%	20.0%	15.0%	95.2%	4.8%
Corporation	35.7%	64.3%	95.9%	4.1%	72.3%	23.4%	4.3%	96.9%	3.1%
GROSS INCOME									
Under $50,000	18.6%	81.4%	71.2%	28.8%	73.8%	23.8%	2.4%	71.2%	28.8%
$50,000-99,999	33.8%	66.2%	97.4%	2.6%	69.3%	28.0%	2.7%	94.7%	5.3%
$100,000-199,999	36.6%	63.4%	95.7%	4.3%	72.4%	25.3%	2.3%	94.6%	5.4%
$200,000 & over	27.4%	72.6%	98.6%	1.4%	63.9%	29.2%	6.9%	95.9%	4.1%
COMMUNITY SIZE									
Large City	20.2%	79.8%	94.7%	5.3%	58.9%	34.6%	6.5%	92.0%	8.0%
Moderate City	35.8%	64.2%	90.8%	9.2%	74.1%	23.1%	2.8%	90.0%	10.0%
Small City	32.4%	67.6%	90.5%	9.5%	79.1%	20.9%	.0%	89.2%	10.8%
Rural	37.5%	62.5%	75.0%	25.0%	100.0%	.0%	.0%	75.0%	25.0%
TOTAL	29.3%	70.7%	91.8%	8.2%	69.9%	26.6%	3.5%	90.2%	9.8%

Federal Tax Returns ⇩

REGIONAL SUMMARY	1040 NOT ITEMIZED		1040 ITEMIZED		1065 (PARTNER)		1120S (CORP.)		1041 FIDUCIARY	
	# returns	Avg. fee	# returns	Avg. fee	# returns	Avg. fee	# returns	Avg. fee	# returns	Avg. fee
	Mean	Mean	Mean	Mean	Mean	Mean	Mean	Mean	Mean	Mean
TYPE OF PRACTICE										
Sole Practitioner	75	$76	241	$182	10	$333	10	$418	7	$254
Partnership	87	$85	498	$192	14	$341	23	$413	11	$218
Corporation	93	$76	281	$221	14	$416	19	$476	9	$295
GROSS INCOME										
Under $50,000	53	$66	113	$143	5	$229	5	$243	3	$191
$50,000-99,999	56	$82	179	$176	5	$312	8	$399	5	$238
$100,000-199,999	85	$75	282	$187	12	$363	13	$474	7	$266
$200,000 & over	134	$75	481	$261	21	$489	27	$540	13	$306
COMMUNITY SIZE										
Large City	60	$83	250	$230	12	$435	15	$502	9	$333
Moderate City	84	$70	279	$175	11	$352	11	$445	7	$249
Small City	108	$74	273	$176	11	$280	15	$331	6	$183
Rural	105	$90	283	$106	11	$174	16	$274	2	$143
TOTAL	81	$76	267	$195	11	$361	14	$437	8	$264

⇦ Client Services (Average Hourly Fees)

REGIONAL SUMMARY	Tax Services	Write-Up Work	Financial Statements	Audit Accounts	Management Advisory
	Mean	Mean	Mean	Mean	Mean
TYPE OF PRACTICE					
Sole Practitioner	$75.28	$46.64	$64.12	$70.58	$74.26
Partnership	$85.94	$60.33	$75.00	$96.43	$85.36
Corporation	$84.66	$49.63	$66.33	$80.28	$89.34
GROSS INCOME					
Under $50,000	$54.38	$37.38	$50.00	$67.17	$57.09
$50,000-99,999	$65.72	$45.12	$57.42	$56.11	$63.95
$100,000-199,999	$84.40	$47.69	$65.79	$71.43	$78.07
$200,000 & over	$99.62	$58.05	$78.73	$89.48	$101.45
COMMUNITY SIZE					
Large City	$92.02	$55.17	$75.49	$87.71	$96.23
Moderate City	$73.82	$48.06	$62.19	$77.00	$76.12
Small City	$66.83	$41.07	$57.88	$66.07	$65.59
Rural	$64.60	$36.80	$37.00	$54.00	$53.25
TOTAL	$78.93	$48.49	$65.60	$76.25	$81.06

Client Services ⇩

CLIENTS SERVED MEAN VALUES	TAX RETURNS		TAX SERVICES		WRITE UP WORK		STATEMENTS		AUDIT ACCTS		MNGT ADVISOR		OTHER	
	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross
TYPE OF PRACTICE														
Sole Practitioner	302.7	53.2%	20.3	5.5%	19.7	30.2%	4.4	4.2%	2.0	1.0%	6.6	2.7%	1.7	3.1%
Partnership	495.6	50.1%	70.0	8.2%	44.1	26.4%	13.9	7.3%	1.6	1.8%	14.6	5.4%	.0	.8%
GROSS INCOME														
Under $50,000	145.3	58.7%	12.5	3.1%	8.1	30.9%	1.4	2.8%	.3	.3%	2.4	1.7%	1.3	2.4%
$50,000-99,999	242.3	51.1%	23.5	6.4%	16.9	32.1%	2.2	4.3%	.2	.3%	3.1	3.0%	1.2	2.9%
$100,000-199,999	353.0	50.0%	20.3	4.6%	30.6	33.8%	4.2	3.3%	1.7	1.6%	6.0	2.7%	2.8	3.9%
$200,000 & over	590.3	37.2%	50.5	8.0%	65.1	37.9%	14.9	6.8%	6.3	2.9%	19.5	5.2%	3.1	2.0%
Corporation	362.0	39.2%	30.0	5.5%	48.9	43.0%	6.6	4.1%	2.3	1.7%	9.3	4.0%	3.5	2.5%
COMMUNITY SIZE														
Large City	303.4	47.0%	28.0	6.8%	32.5	31.3%	8.3	5.5%	2.5	1.6%	10.6	3.8%	1.8	3.9%
Moderate City	341.9	46.5%	25.3	5.1%	29.2	37.9%	3.8	4.4%	.9	1.4%	6.4	3.8%	1.5	.9%
Small City	366.4	52.9%	28.4	5.3%	29.1	32.4%	4.8	2.4%	3.6	.7%	6.8	2.0%	3.4	4.3%
Rural	349.3	62.3%	10.0	1.4%	31.9	28.8%	6.9	5.7%	.8	.3%	5.0	.8%	5.0	.9%
TOTAL	333.7	48.6%	26.5	5.6%	30.5	34.0%	5.7	4.4%	2.1	1.3%	8.0	3.3%	2.1	2.8%

GROSS AND NET INCOME

	Estimated Gross Income			Estimated Net Income		
	Count	Mean	Median	Count	Mean	Median
TYPE OF PRACTICE						
Sole Practitioner	902	$104,447	$80,000	867	$47,668	$40,000
Partnership	110	$360,286	$237,500	105	$139,509	$100,000
Corporation	448	$285,380	$177,500	407	$76,669	$40,000
REGION						
Northeast	402	$176,910	$117,529	382	$72,225	$50,000
South	432	$142,231	$100,000	407	$50,550	$35,000
North Central	325	$230,616	$123,000	306	$72,160	$40,000
West	302	$176,059	$105,500	286	$58,300	$40,000
COMMUNITY SIZE						
Large City	464	$226,796	$130,000	429	$80,086	$50,000
Moderate City	469	$186,180	$110,000	444	$67,059	$40,000
Small City	468	$136,910	$95,000	450	$46,873	$35,000
Rural	62	$89,973	$80,000	60	$36,997	$30,000
GROSS INCOME						
Under $50,000	320	$26,165	$27,500	303	$14,610	$15,000
$50,000-99,999	340	$70,476	$70,000	321	$35,456	$35,000
$100,000-199,999	427	$136,946	$135,000	408	$56,890	$60,000
$200,000 & over	382	$449,757	$302,500	355	$136,832	$100,000
FULL-TIME STAFF						
One	457	$61,015	$50,000	436	$35,087	$28,212
Two	324	$110,772	$100,000	306	$48,283	$40,000
3 or more	598	$323,478	$220,000	559	$98,131	$62,000
TOTAL	1469	$178,773	$110,000	1387	$63,154	$40,000

A correlation can be seen between the gross income and the emphasis on tax returns. The lower the gross income, the more likely the respondent's practice is based on tax returns. Those respondents with gross incomes of under $50,000 earn 55.0% of their gross income from tax returns, while only 33.5% of the gross income of those earning $200,000 or more is from tax returns. A similar situation can be found with write-up work. Respondents with higher gross income earn more from write-up work than those with incomes under $50,000. Nearly 40.0% of the gross income of those earning $200,000 or more comes from write-up work, while only 30.0% of the income comes from this same work for those with gross incomes under $50,000.

Office practices sometimes vary with gross income. For example, 40.0% of those with gross income of $200,000 and more charge interest on past due accounts, while only 16.6% of those with income under $50,000 charge interest. Another example is billing for computer time; 43.5% of the respondents with gross income of $200,000 and over bill their clients for computer time, while only 17.6% of those with income under $50,000 do the same. Progress billing is another example of office practices varying at firms of different sizes. Half of the respondents with the highest gross income have progress billing and only 21.5% of those with the lowest income do the same (see page 30 for additional information).

Three-fourths of the respondents with gross incomes of $200,000 and more have their practices covered by professional liability insurance. Only one-third of the respondents in the lowest income bracket have the same coverage. The larger practices are also more likely to have a comprehensive plan, while the smaller practices opted for the tax practice coverage only plan (see page 29 for additional information).

As would be expected, the larger firms, in terms of gross income and number of full- time employees, reported higher net incomes. The average estimated net income for those respondents with gross incomes of $200,000 or more is $136,832. Respondents with the lowest estimated gross income (under $50,000) estimate an average net income of $14,610. An average net income of $98,131 was reported by the respondents with three or more full-time employees, while the average net income of $35,087 was estimated by those with only one full-time employee.

Respondents located in large cities net more than those in smaller communities. The average net income for the large city firms is $80,086 and $36,997 for the rurally located firms. The respondents in the northeast

estimated a higher average net income ($72,225) compared to other regions. The firms in the north central region are a close second with $72,160.

Sole practitioners estimated an average net income of $47,668 and those practicing in corporation form averaged $76,669. The partnership's estimated net income is much higher at $139,509.

FEES FOR TAX RETURN SERVICES

In all but a few cases the average fees, whether they were hourly, average, or minimum, all increased along with the size of the firm in terms of both gross income and full-time employees. For example the average minimum fee for the 1040 itemized form is $77 for the respondents grossing under $50,000; $91 for those in the next income bracket; and $97 and $129 for the two largest income brackets.

Fees are consistently highest in the northeast and west. Hourly fees for tax return preparation are highest in the west in all instances, whether comparing the 1040 itemized or the 1041 (Fiduciary). Respondents in the north central region charge the least in all cases, which is interesting considering these respondents have the highest gross income when comparing regional data. Respondents in the north central, however, prepare the most returns of all types. The average number of returns prepared was always highest for the north central region except once — the northeast tied the north central at 10 for the average number of 1041 (Fiduciary) forms prepared.

When considering size, whether it be in terms of gross income, number of full-time employees or even community size, the smallest firms or those in the smallest communities generally charge less than the largest. This is true for any type of fee — hourly, average or minimum. For the most part the larger the company — the higher the fee; however, there are some exceptions. One example is with the 1120S (Corporate) return.

FEDERAL TAX RETURNS	Number Of Returns Prepared	Minimum Fee	Hourly Fee	Average Fee				
	Mean	Mean	Mean	Count	Mean	First Quartile	Median	Third Quartile
TYPE OF PRACTICE								
Sole Practitioner	91	$51	$64	709	$71	$40	$56	$80
Partnership	111	$69	$82	73	$81	$40	$65	$100
Corporation	122	$53	$71	361	$74	$40	$60	$95
REGION								
Northeast	59	$65	$73	306	$81	$50	$75	$100
South	118	$47	$64	351	$68	$39	$50	$78
North Central	150	$42	$61	258	$65	$35	$50	$78
West	81	$56	$76	233	$76	$45	$64	$90
COMMUNITY SIZE								
Large City	63	$66	$78	347	$85	$50	$75	$100
Moderate City	104	$51	$70	374	$70	$40	$54	$80
Small City	134	$42	$59	377	$65	$38	$50	$75
Rural	104	$43	$61	49	$63	$35	$55	$75
GROSS INCOME								
Under $50,000	59	$41	$49	246	$62	$35	$50	$75
$50,000-99,999	89	$49	$61	256	$70	$40	$58	$75
$100,000-199,999	121	$52	$70	327	$74	$45	$60	$90
$200,000 & over	130	$67	$84	276	$84	$48	$68	$100
FULL-TIME STAFF								
One	54	$49	$60	357	$70	$40	$60	$80
Two	105	$54	$68	253	$73	$42	$60	$90
3 or more	144	$55	$74	471	$74	$40	$55	$90
TOTAL	101	$52	$68	1,151	$73	$40	$60	$85

Firms located rurally indicate a higher fee structure than those in small cities. A correlation between the size of firms and fees charged for tax return services can still be drawn, even considering the few exceptions that can be found.

⇦ *Form 1040 Not Itemized*

Form 1040 Itemized ⇩

FEDERAL TAX RETURNS	Number Of Returns Prepared	Minimum Fee	Hourly Fee	Average Fee				
	Mean	Mean	Mean	Count	Mean	First Quartile	Median	Third Quartile
TYPE OF PRACTICE								
Sole Practitioner	224	$96	$69	780	$162	$90	$136	$200
Partnership	405	$127	$93	95	$228	$122	$175	$300
Corporation	363	$103	$78	407	$186	$100	$150	$225
REGION								
Northeast	251	$124	$82	365	$199	$110	$160	$250
South	257	$87	$68	374	$161	$85	$125	$195
North Central	368	$78	$63	279	$143	$75	$125	$180
West	267	$106	$84	268	$195	$120	$160	$235
COMMUNITY SIZE								
Large City	254	$126	$67	403	$225	$125	$185	$285
Moderate City	302	$94	$74	420	$164	$100	$150	$200
Small City	294	$82	$63	410	$144	$75	$125	$175
Rural	211	$81	$62	53	$117	$76	$105	$150
GROSS INCOME								
Under $50,000	102	$77	$52	259	$126	$68	$100	$150
$50,000-99,999	193	$91	$66	286	$156	$90	$125	$200
$100,000-199,999	285	$97	$76	365	$166	$100	$150	$200
$200,000 & over	500	$129	$93	329	$239	$140	$198	$300
FULL-TIME STAFF								
One	137	$92	$65	398	$160	$85	$135	$200
Two	233	$102	$74	290	$174	$95	$150	$200
3 or more	437	$106	$81	526	$189	$100	$150	$230
TOTAL	280	$100	$74	1,291	$175	$95	$150	$204

Form 1065 (Partnership) ⇩

FEDERAL TAX RETURNS	Number Of Returns Prepared	Minimum Fee	Hourly Fee	Average Fee				
	Mean	Mean	Mean	Count	Mean	First Quartile	Median	Third Quartile
TYPE OF PRACTICE								
Sole Practitioner	10	$203	$72	625	$289	$150	$250	$350
Partnership	26	$262	$102	86	$409	$202	$300	$450
Corporation	18	$224	$80	358	$353	$200	$250	$400
REGION								
Northeast	14	$268	$85	280	$390	$200	$300	$450
South	13	$185	$71	313	$276	$150	$226	$325
North Central	18	$164	$65	250	$259	$150	$225	$300
West	11	$237	$90	232	$361	$212	$280	$450
COMMUNITY SIZE								
Large City	14	$271	$91	307	$401	$225	$315	$500
Moderate City	13	$209	$79	348	$317	$183	$250	$375
Small City	15	$178	$65	374	$268	$150	$225	$300
Rural	10	$173	$63	44	$225	$120	$200	$300
GROSS INCOME								
Under $50,000	4	$179	$55	175	$236	$120	$200	$280
$50,000-99,999	7	$192	$66	226	$264	$150	$225	$300
$100,000-199,999	12	$211	$77	331	$303	$180	$250	$375
$200,000 & over	27	$253	$95	304	$423	$240	$350	$500
FULL-TIME STAFF								
One	6	$208	$68	283	$294	$150	$236	$325
Two	10	$209	$77	246	$296	$175	$250	$350
3 or more	22	$218	$82	497	$351	$200	$275	$405
TOTAL	14	$214	$77	1,076	$320	$175	$250	$375

Form 1120S (Corporate) ⇩

FEDERAL TAX RETURNS	Number Of Returns Prepared	Minimum Fee	Hourly Fee	Average Fee				
	Mean	Mean	Mean	Count	Mean	First Quartile	Median	Third Quartile
TYPE OF PRACTICE								
Sole Practitioner	15	$264	$78	654	$423	$225	$325	$500
Partnership	43	$308	$104	83	$541	$250	$400	$600
Corporation	35	$275	$84	385	$440	$250	$350	$480
REGION								
Northeast	26	$354	$88	299	$580	$300	$400	$700
South	24	$237	$85	341	$385	$225	$300	$425
North Central	28	$202	$64	256	$336	$200	$300	$400
West	14	$283	$89	233	$437	$250	$350	$500
COMMUNITY SIZE								
Large City	27	$317	$91	327	$515	$275	$375	$525
Moderate City	24	$269	$91	376	$430	$250	$350	$478
Small City	21	$233	$65	376	$379	$200	$300	$450
Rural	14	$240	$87	47	$390	$200	$300	$500
GROSS INCOME								
Under $50,000	6	$233	$76	186	$348	$160	$250	$360
$50,000-99,999	13	$238	$68	255	$354	$205	$300	$400
$100,000-199,999	20	$271	$77	344	$444	$250	$350	$500
$200,000 & over	49	$318	$101	305	$547	$300	$400	$600
FULL-TIME STAFF								
One	10	$263	$69	326	$427	$225	$315	$450
Two	16	$261	$76	253	$421	$250	$325	$500
3 or more	38	$274	$87	496	$448	$250	$350	$500
TOTAL	24	$270	$82	1,129	$436	$250	$350	$500

Form 1041 (Fiduciary) ⇩

FEDERAL TAX RETURNS	Number Of Returns Prepared	Minimum Fee	Hourly Fee	Average Fee				
	Mean	Mean	Mean	Count	Mean	First Quartile	Median	Third Quartile
TYPE OF PRACTICE								
Sole Practitioner	6	$151	$74	426	$207	$105	$165	$250
Partnership	19	$215	$96	69	$267	$150	$210	$300
Corporation	10	$173	$81	261	$280	$135	$200	$325
REGION								
Northeast	10	$178	$86	205	$263	$125	$200	$300
South	7	$154	$73	207	$238	$120	$160	$250
North Central	10	$121	$65	174	$180	$100	$150	$250
West	8	$196	$91	176	$264	$150	$228	$350
COMMUNITY SIZE								
Large City	10	$215	$91	220	$322	$150	$250	$400
Moderate City	7	$156	$82	243	$228	$125	$200	$300
Small City	8	$133	$66	269	$186	$100	$150	$225
Rural	6	$118	$63	29	$144	$75	$150	$165
GROSS INCOME								
Under $50,000	3	$130	$56	103	$175	$90	$150	$230
$50,000-99,999	5	$154	$70	149	$201	$100	$150	$250
$100,000-199,999	7	$159	$76	233	$242	$125	$200	$300
$200,000 & over	15	$186	$94	245	$282	$150	$200	$350
FULL-TIME STAFF								
One	4	$155	$72	190	$218	$100	$170	$250
Two	6	$158	$78	170	$231	$125	$200	$275
3 or more	12	$169	$81	373	$252	$125	$200	$300
TOTAL	8	$164	$79	762	$237	$125	$190	$290

BILLING RATES AND SALARIES

Senior accountants are those having five or more years experience. Semi-senior accountants have three to four years experience and junior accountants have less than three years experience. As would be expected, the higher the rank — the higher the fee. For all respondents the average hourly rate for the partner/associate is $71.99; the junior accountant's fee is $35.44.

The higher the gross income for a firm, the higher the fee for all employees' services. This can also be seen when reviewing the rates in terms of full-time staff and community size. In all cases, the respondents in the large cities charge more than those in rural areas. In all cases but one, those with three or more full-time employees charge more for their services than those with only one.

Similar patterns can be seen when comparing salaries. Partners/associates earn more than all the employees; $56,628 is the average salary for partners/associates for all respondents. The senior accountant earns $33,569; the semi-senior earns $24,542; and the junior accountant earns $18,798 (mean salaries for all respondents).

Another similarity is the correlation between size and salary. The larger the firm or the larger the community, the higher the salary. Partner/associates, for example, at firms with gross incomes under $50,000 earn an average salary of $23,768 while the partner/associates at the largest firms ($200,000 and over) earn $83,611.

TYPICAL ANNUAL SALARY	Partners /Associates		Senior Accountant	
	Count	Mean	Count	Mean
TYPE OF PRACTICE				
Sole Practitioner	444	$53,081	152	$31,784
Partnership	76	$69,893	45	$38,089
Corporation	361	$58,207	182	$33,996
REGION				
Northeast	229	$67,154	95	$38,923
South	270	$50,841	116	$30,956
North Central	201	$52,055	99	$31,499
West	179	$56,906	71	$33,638
COMMUNITY SIZE				
Large City	278	$69,404	152	$36,742
Moderate City	293	$55,287	124	$32,401
Small City	279	$46,538	95	$30,612
Rural	30	$47,267	11	$27,636
GROSS INCOME				
Under $50,000	94	$23,768	2	$5,010
$50,000-99,999	187	$36,456	21	$24,986
$100,000-199,999	275	$52,125	114	$27,215
$200,000 & over	302	$83,611	234	$37,709
FULL-TIME STAFF				
One	188	$39,852	11	$26,365
Two	198	$49,783	53	$30,482
3 or more	464	$67,650	315	$34,369
TOTAL	883	$56,628	383	$33,569

Salaries for Partners/ Associates/Senior Accountants ⇧

Salaries for Semi-Senior Accountants/ Junior Accountants/Secretaries ⇩

TYPICAL ANNUAL SALARY	Semi - Senior Accountant		Junior Accountant		Secretarial	
	Count	Mean	Count	Mean	Count	Mean
TYPE OF PRACTICE						
Sole Practitioner	137	$23,469	157	$17,663	382	$14,216
Partnership	42	$26,467	47	$20,485	76	$17,158
Corporation	183	$24,929	211	$19,285	313	$15,608
REGION						
Northeast	92	$28,089	95	$20,743	186	$17,325
South	105	$22,499	123	$17,969	237	$14,388
North Central	88	$23,831	114	$18,328	184	$13,624
West	76	$23,975	83	$18,423	161	$15,254
COMMUNITY SIZE						
Large City	120	$27,556	123	$21,372	224	$17,539
Moderate City	128	$23,793	149	$18,488	252	$15,364
Small City	102	$22,313	128	$16,880	266	$12,926
Rural	11	$21,318	13	$16,923	29	$13,169
GROSS INCOME						
Under $50,000	0	.	11	$12,067	38	$8,764
$50,000-99,999	39	$17,599	46	$13,704	127	$11,406
$100,000-199,999	97	$20,785	134	$17,213	275	$14,137
$200,000 & over	212	$27,475	215	$21,197	304	$18,180
FULL-TIME STAFF						
One	12	$23,896	22	$13,964	82	$11,424
Two	49	$21,064	71	$17,076	186	$13,822
3 or more	298	$25,236	312	$19,606	481	$16,244
TOTAL	363	$24,542	416	$18,798	773	$15,071

Employee Hourly Billing Rates: Secretarial/ Junior Accountant/ Semi-Senior Accountant ⇩

EMPLOYEE HOURLY BILLING RATES	Secretarial		Junior Accountant		Semi - Senior Accountant				
	Count	Mean	Count	Mean	Count	Mean	First Quartile	Median	Third Quartile
TYPE OF PRACTICE									
Sole Practitioner	460	$22.80	193	$32.05	168	$43.76	$30.00	$40.00	$50.00
Partnership	84	$28.78	56	$43.60	55	$54.31	$40.00	$50.00	$70.00
Corporation	334	$25.69	232	$36.40	192	$46.47	$35.00	$45.00	$55.50
REGION									
Northeast	216	$28.18	112	$42.42	108	$55.15	$40.00	$50.00	$65.00
South	265	$23.72	138	$34.03	113	$44.28	$34.00	$40.00	$50.00
North Central	210	$21.51	134	$30.46	105	$38.54	$30.00	$38.00	$50.00
West	187	$24.79	99	$36.52	89	$48.43	$35.00	$45.00	$55.00
COMMUNITY SIZE									
Large City	254	$27.10	139	$41.92	135	$53.76	$40.00	$50.00	$65.00
Moderate City	298	$24.23	176	$33.51	144	$43.42	$33.50	$40.00	$50.00
Small City	293	$22.93	151	$32.33	122	$42.74	$30.00	$40.00	$50.00
Rural	35	$19.24	15	$29.20	14	$38.64	$20.00	$32.50	$50.00
GROSS INCOME									
Under $50,000	74	$17.59	23	$19.09	4	$15.13	$7.75	$12.50	$22.50
$50,000-99,999	159	$18.77	61	$25.68	56	$35.34	$20.00	$32.50	$40.00
$100,000-199,999	303	$23.86	155	$31.61	119	$39.72	$28.00	$40.00	$50.00
$200,000 & over	310	$29.91	233	$42.23	223	$53.34	$40.00	$50.00	$60.00
FULL-TIME STAFF									
One	147	$21.07	41	$27.78	24	$47.77	$32.50	$40.00	$50.00
Two	210	$23.48	90	$33.38	66	$42.60	$30.00	$40.00	$50.00
3 or more	491	$26.06	337	$36.78	318	$46.79	$35.00	$45.00	$60.00
TOTAL	882	$24.45	484	$35.44	417	$46.40	$35.00	$45.00	$55.00

Employee Hourly Billing Rates: Senior Accountant/ Partners/Associates ⇩

EMPLOYEE HOURLY BILLING RATES	Senior Accountant					Partners/Associates				
	Count	Mean	First Quartile	Median	Third Quartile	Count	Mean	First Quartile	Median	Third Quartile
TYPE OF PRACTICE										
Sole Practitioner	188	$53.11	$35.00	$50.00	$65.00	711	$66.64	$50.00	$60.00	$80.00
Partnership	59	$70.42	$50.00	$75.00	$85.00	101	$86.12	$60.00	$80.00	$110.00
Corporation	204	$60.25	$45.00	$60.00	$75.00	399	$77.97	$50.00	$75.00	$95.00
REGION										
Northeast	116	$72.28	$52.50	$75.00	$89.00	347	$82.78	$60.00	$75.00	$100.00
South	130	$55.22	$40.00	$50.00	$75.00	343	$67.40	$50.00	$65.00	$80.00
North Central	119	$48.34	$35.00	$50.00	$60.00	267	$60.62	$45.00	$55.00	$75.00
West	87	$60.46	$45.00	$60.00	$75.00	255	$76.10	$50.00	$75.00	$90.00
COMMUNITY SIZE										
Large City	175	$67.16	$50.00	$65.00	$80.00	378	$86.74	$60.00	$80.00	$100.00
Moderate City	145	$55.55	$40.00	$50.00	$75.00	399	$69.63	$50.00	$65.00	$85.00
Small City	119	$50.45	$35.00	$50.00	$60.00	386	$62.13	$45.00	$60.00	$75.00
Rural	14	$52.14	$40.00	$50.00	$60.00	49	$55.73	$35.00	$50.00	$75.00
GROSS INCOME										
Under $50,000	6	$35.50	$23.00	$30.00	$50.00	210	$49.31	$35.00	$50.00	$60.00
$50,000-99,999	42	$39.33	$25.00	$37.50	$50.00	254	$59.91	$45.00	$55.00	$75.00
$100,000-199,999	144	$50.13	$35.00	$50.00	$60.00	362	$71.21	$50.00	$75.00	$85.00
$200,000 & over	248	$67.48	$50.00	$65.00	$80.00	348	$95.09	$75.00	$90.00	$120.00
FULL-TIME STAFF										
One	26	$48.50	$25.00	$50.00	$60.00	350	$63.40	$45.00	$60.00	$75.00
Two	71	$59.04	$35.00	$55.00	$75.00	270	$68.68	$50.00	$65.00	$85.00
3 or more	345	$59.33	$45.00	$60.00	$75.00	540	$80.23	$55.00	$75.00	$100.00
TOTAL	454	$58.62	$40.00	$55.00	$75.00	1,217	$71.99	$50.00	$70.00	$90.00

SOURCES OF INCOME

The bulk of the gross income is derived from tax returns (43.9%) and write-up work (35.5%) for all respondents. The smaller firms receive more of their income from tax returns than the larger firms. More than half of gross income comes from tax returns for participants with gross income under $50,000 while only one-third of the income for the largest firms comes from tax returns. It is interesting to note that while the larger firms prepare more returns, they still receive less income (as a percent of total income) from this service. The largest firms prepare an average of 594 tax returns and the smallest prepare an average of 145.

Respondents from the west derive 48.6% of their gross income from tax returns. This is the highest for all regions, while the lowest is in the northeast. These firms only earn an average of 40.7% of gross income from tax returns. The respondents in the northeast prepare the fewest number of tax returns, an average of 277.

For all respondents, tax services and financial statement preparation each account for approximately 6.5% of the gross income. Approximately 10.0-12.0% of the gross income comes from financial statement preparation for four types of respondents — those with the highest income, those in partnership firms, those in the northeast and certified public accountants.

Write-up work is performed more often by larger firms. Approximately 38.0% of the gross income of the largest firms ($200,000 and over), comes from write-up work, while the smallest firms (under $50,000) earn 30.0% from the same service. In terms of actual numbers, the smallest firms on average only perform write-up work for about 10 clients. The largest firms perform write-up work for 81 clients.

⇩ *Clients Served*

CLIENTS SERVED MEAN VALUES	TAX RETURNS		TAX SERVICES		WRITE UP WORK		STATEMENTS		AUDIT ACCTS		MNGT ADVISOR		OTHER	
	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross	Number	% of Gross
TYPE OF PRACTICE														
Sole Practitioner	295.3	47.6%	21.2	6.2%	25.8	33.9%	5.1	5.7%	1.1	1.4%	4.7	3.1%	2.2	2.1%
Partnership	480.3	40.4%	70.2	8.6%	58.7	31.2%	23.4	11.0%	3.1	4.4%	9.4	3.7%	1.1	.8%
Corporation	460.5	37.1%	39.6	7.1%	59.4	40.0%	12.8	6.6%	2.6	2.4%	11.0	3.9%	3.0	2.9%
REGION														
Northeast	276.8	40.7%	32.7	7.7%	36.2	33.1%	11.1	10.0%	1.7	2.6%	5.2	3.8%	1.5	2.1%
South	353.8	43.4%	32.4	7.2%	37.1	38.6%	6.3	4.0%	1.2	1.6%	6.8	3.5%	2.6	1.6%
North Central	497.5	44.0%	29.0	5.6%	51.4	36.2%	12.0	6.8%	2.2	2.1%	8.6	2.7%	3.3	2.7%
West	333.7	48.6%	26.5	5.6%	30.5	34.0%	5.7	4.4%	2.1	1.3%	8.0	3.3%	2.1	2.8%
COMMUNITY SIZE														
Large City	289.1	39.6%	33.3	7.1%	43.6	36.7%	10.0	7.9%	2.0	2.1%	9.8	4.3%	1.4	2.4%
Moderate City	386.3	41.8%	28.0	6.7%	39.7	37.7%	8.6	6.2%	1.3	2.1%	5.9	3.1%	2.6	2.5%
Small City	408.3	49.1%	30.2	6.4%	34.3	33.1%	8.2	5.1%	1.9	1.6%	5.6	2.9%	3.2	1.8%
Rural	297.3	50.8%	30.8	5.6%	25.8	31.4%	6.0	6.5%	.9	1.5%	4.8	1.7%	1.6	2.5%
GROSS INCOME														
Under $50,000	144.7	55.0%	12.6	5.9%	9.4	29.9%	1.5	3.9%	.3	.7%	2.0	2.4%	2.6	2.1%
$50,000-99,999	275.7	46.5%	18.4	6.3%	21.7	35.3%	4.1	5.5%	.6	.9%	3.3	3.2%	2.3	2.2%
$100,000-199,999	392.5	42.8%	32.2	6.6%	38.1	37.8%	7.1	5.8%	1.5	2.0%	6.0	3.0%	2.2	2.0%
$200,000 & over	593.8	33.5%	55.0	7.6%	80.5	38.3%	21.5	10.0%	4.3	3.8%	15.1	4.5%	2.6	2.5%
FULL-TIME STAFF														
One	181.0	48.6%	15.3	6.4%	15.0	32.2%	2.9	5.6%	.5	1.0%	2.9	3.4%	2.3	2.8%
Two	317.9	46.2%	23.3	6.5%	28.8	35.3%	6.2	5.8%	.8	1.2%	4.5	2.6%	2.0	2.3%
3 or more	546.7	37.9%	48.3	7.0%	65.9	38.7%	15.9	7.4%	3.4	3.2%	12.3	3.8%	2.9	1.9%
TOTAL	358.8	43.9%	30.4	6.7%	38.5	35.5%	8.8	6.4%	1.7	1.9%	7.0	3.4%	2.3	2.2%

ELECTRONIC FILING AND COMPUTER USAGE

Only 30.1% of all respondents reported offering electronic filing for federal returns. Two-thirds of those who offer this service charge $21 or more. One-fourth charge $11 to $20. The respondents in the northeast are the least likely to offer electronic filing (21.6%). However, these same respondents are also the most likely to charge $21 or more (77.5%).

PRACTICE PROCEDURES AND POLICIES	Offer Electronic Filing For Federal Returns		How Much For Electronic Filing			
	Yes	No	No Charge	$5 - $10	$11 - $20	$21 Or More
TYPE OF PRACTICE						
Sole Practitioner	27.1%	72.9%	4.0%	2.0%	27.1%	66.9%
Partnership	27.0%	73.0%	6.3%	9.4%	21.9%	62.5%
Corporation	37.3%	62.7%	8.8%	2.9%	21.6%	66.7%
REGION						
Northeast	21.6%	78.4%	3.4%	2.2%	16.9%	77.5%
South	33.6%	66.4%	7.3%	4.0%	20.0%	68.7%
North Central	37.2%	62.8%	4.8%	2.4%	36.3%	56.5%
West	29.3%	70.7%	7.7%	2.2%	24.2%	65.9%
COMMUNITY SIZE						
Large City	22.4%	77.6%	7.7%	1.9%	25.0%	65.4%
Moderate City	32.3%	67.7%	5.8%	2.6%	21.8%	69.9%
Small City	35.3%	64.7%	5.2%	2.3%	27.6%	64.9%
Rural	30.6%	69.4%	5.3%	15.8%	21.1%	57.9%
GROSS INCOME						
Under $50,000	24.8%	75.2%	1.3%	5.2%	40.3%	53.2%
$50,000-99,999	31.0%	69.0%	5.7%	2.8%	18.9%	72.6%
$100,000-199,999	32.9%	67.1%	6.6%	2.2%	22.1%	69.1%
$200,000 & over	32.2%	67.8%	8.9%	2.4%	21.1%	67.5%
FULL-TIME STAFF						
One	21.3%	78.7%	1.0%	3.0%	32.0%	64.0%
Two	32.4%	67.6%	10.8%	3.6%	19.8%	65.8%
3 or more	37.9%	62.1%	5.7%	2.6%	23.9%	67.8%
TOTAL	30.1%	69.9%	5.9%	2.9%	24.6%	66.6%

Electronic Filing ⇧

Nearly 90.0% of all respondents prepare tax returns by computer. When comparing by size, there was a marked increase in computer usage among the larger firms. The larger the company the more likely tax returns are prepared by computer. Almost all (98.2%) of the firms grossing $200,000 and over use computers, while 71.6% of the smallest firms do the same. More computer usage occurs at the firms in large cities (89.7%) than in rural areas (78.7%).

While the respondents in the west (91.8%) are the most likely, in terms of regional data, to prepare tax returns by computer, they are also the most likely to use a service bureau (26.6%). Of those who use computers, 84.0% own or lease them, while only 13.7% use service bureaus. Only a few use both, 2.3% of all respondents.

Most (86.5%) of the respondents use computers for more than just tax return preparations. Alternate computer use increases with the size of the firm. Only about 70.0% of the firms grossing under $50,000 use the computer for more than tax return preparation, while 96.6% of the largest firms do the same. Interestingly, the respondents in the northeast are least likely to use computers for other jobs, only 78.6%. The respondents in the south and west use the computers most often for other business purposes (90.5% and 90.2%).

The primary alternate uses for the computers are general ledger (88.7%), client write-up (87.9%) and word processing (75.4%). Accounts payable is the task computerized least often, only 22.2% of all respondents. Accounts receivable is computerized by 40.0% of all respondents. When comparing in terms of gross income, the largest firms always use the computer for the different jobs listed more often than the smallest firms. The sole proprietor is also always least likely to computerize all these different tasks when compared to the partnership firms and corporations.

Computer Usage for Tax Returns ⇩

PRACTICE PROCEDURES AND POLICIES	Prepare Tax Returns By Computer		How Do You Have Access To The Computers			Computer For Other Than The Preparation Of Tax Returns	
	Yes	No	Own Or Lease	Use A Service Bureau	Both	Yes	No
TYPE OF PRACTICE							
Sole Practitioner	84.4%	15.6%	84.1%	14.5%	1.4%	81.6%	18.4%
Partnership	95.7%	4.3%	73.4%	18.3%	8.3%	94.8%	5.2%
Corporation	94.0%	6.0%	86.2%	11.5%	2.3%	94.6%	5.4%
REGION							
Northeast	85.1%	14.9%	84.5%	13.0%	2.5%	78.6%	21.4%
South	88.3%	11.7%	91.1%	8.2%	.8%	90.5%	9.5%
North Central	88.3%	11.7%	87.5%	9.7%	2.8%	88.0%	12.0%
West	91.8%	8.2%	69.9%	26.6%	3.5%	90.2%	9.8%
COMMUNITY SIZE							
Large City	89.7%	10.3%	73.6%	22.6%	3.8%	86.2%	13.8%
Moderate City	88.5%	11.5%	86.3%	11.9%	1.9%	89.4%	10.6%
Small City	87.4%	12.6%	90.8%	7.8%	1.4%	85.1%	14.9%
Rural	78.7%	21.3%	95.9%	4.1%	.0%	77.4%	22.6%
GROSS INCOME							
Under $50,000	71.6%	28.4%	87.2%	11.9%	.9%	69.6%	30.4%
$50,000-99,999	85.4%	14.6%	86.1%	12.2%	1.7%	84.5%	15.5%
$100,000-199,999	94.1%	5.9%	86.5%	12.5%	1.0%	92.0%	8.0%
$200,000 & over	98.2%	1.8%	78.2%	16.7%	5.1%	96.6%	3.4%
FULL-TIME STAFF							
One	78.1%	21.9%	82.1%	16.8%	1.1%	74.4%	25.6%
Two	90.3%	9.7%	85.8%	12.5%	1.7%	89.7%	10.3%
3 or more	96.8%	3.2%	84.8%	11.7%	3.5%	96.1%	3.9%
TOTAL	88.1%	11.9%	84.0%	13.7%	2.3%	86.5%	13.5%

Computer Usage for Other Than Tax Returns ⇩

PRACTICE PROCEDURES AND POLICIES	COMPUTER USES OTHER THAN TAX RETURNS							
	Payroll	Client Write - Up	General Ledger	Word Processing	Depre-ciation	Client Time And Billing	Accounts Payable	Accounts Receivable
TYPE OF PRACTICE								
Sole Practitioner	64.6%	84.3%	85.2%	71.5%	58.9%	30.2%	19.0%	32.9%
Partnership	69.7%	91.7%	89.0%	81.7%	61.5%	55.0%	21.1%	40.4%
Corporation	75.6%	93.0%	94.6%	80.8%	70.0%	49.4%	28.0%	51.5%
REGION								
Northeast	57.7%	85.0%	87.4%	75.5%	56.7%	38.7%	16.3%	33.4%
South	74.0%	92.0%	90.0%	73.8%	68.3%	35.8%	24.5%	41.5%
North Central	72.7%	89.8%	91.1%	73.4%	66.6%	39.9%	21.2%	41.6%
West	71.8%	83.8%	86.6%	81.0%	59.9%	42.6%	27.5%	43.7%
COMMUNITY SIZE								
Large City	59.1%	86.3%	87.0%	75.5%	56.4%	40.4%	21.6%	39.2%
Moderate City	73.2%	87.2%	89.4%	76.1%	64.7%	38.3%	22.7%	38.3%
Small City	74.0%	89.8%	89.6%	74.5%	67.5%	38.6%	22.8%	43.0%
Rural	68.8%	91.7%	89.6%	77.1%	64.6%	31.3%	18.8%	31.3%
GROSS INCOME								
Under $50,000	60.4%	79.7%	81.6%	70.0%	59.9%	24.4%	19.4%	27.6%
$50,000-99,999	65.1%	87.0%	85.9%	69.4%	54.9%	24.3%	18.3%	28.5%
$100,000-199,999	75.0%	91.0%	91.5%	77.8%	65.2%	38.7%	20.9%	38.9%
$200,000 & over	70.7%	90.8%	93.0%	81.6%	68.6%	58.3%	26.6%	56.1%
FULL-TIME STAFF								
One	58.5%	81.3%	82.7%	72.3%	57.3%	27.4%	18.4%	27.4%
Two	67.9%	88.5%	86.9%	72.5%	60.3%	33.4%	18.7%	36.1%
3 or more	76.9%	93.1%	93.4%	80.6%	69.3%	51.5%	27.2%	51.4%
TOTAL	68.9%	87.9%	88.7%	75.4%	62.9%	38.8%	22.2%	39.9%

PROFESSIONAL LIABILITY INSURANCE

Professional liability insurance is carried by 57.0% of all respondents. Of the types of insurance that could be utilized, 76.6% of all respondents have a comprehensive plan and 23.4% have a tax practice coverage only plan.

Three-fourths of the highest grossing firms have professional liability insurance, while only one-third of the smallest firms have the same. Nearly 90.0% of the largest firms that have liability insurance have a comprehensive plan. Only about 60.0% of the smallest firms with insurance also have a comprehensive plan.

The regional data show that approximately 60.0% of all respondents in all regions, except the south (47.6%), carry professional liability insurance. However, of all respondents who have insurance, approximately three-fourths hold a comprehensive plan, ranging from 73.4% in the west to 79.5% in the northeast.

The average annual premium is $1,969. Major differences can be seen between the largest and smallest firms. The respondents with gross income of $200,000 and over pay an average premium of $3,937 and the smallest (under $50,000) pay only $567. The firms with three or more full-time employees make annual average payments of $3,100 and the firms with one full-time staff person pay $983.

The average premiums are highest in the north central at $2,226 and lowest in the south at $1,628. The type of respondent who pays the highest average premium is the partnership firm ($4,689).

Liability Insurance ⇩

PRACTICE PROCEDURES AND POLICIES	Practice Covered Professional Liability Insurance		What Kind Of Plan		Annual Premium For Insurance		
	Yes	No	Comprehensive Plan	Tax Practice Coverage Only Plan	Count	Mean	Median
TYPE OF PRACTICE							
Sole Practitioner	52.8%	47.2%	70.4%	29.6%	461	$1,104	$750
Partnership	69.0%	31.0%	91.3%	8.8%	74	$4,689	$3,000
Corporation	63.0%	37.0%	82.6%	17.4%	276	$2,698	$1,476
REGION							
Northeast	60.2%	39.8%	79.5%	20.5%	230	$2,115	$1,110
South	47.6%	52.4%	75.2%	24.8%	208	$1,628	$782
North Central	62.0%	38.0%	76.8%	23.2%	192	$2,226	$981
West	61.6%	38.4%	73.4%	26.6%	182	$1,917	$918
COMMUNITY SIZE							
Large City	59.0%	41.0%	82.4%	17.6%	257	$2,846	$1,400
Moderate City	55.3%	44.7%	73.9%	26.1%	257	$1,677	$850
Small City	58.0%	42.0%	73.7%	26.3%	270	$1,506	$755
Rural	46.8%	53.2%	69.0%	31.0%	27	$1,182	$784
GROSS INCOME							
Under $50,000	33.1%	66.9%	58.7%	41.3%	102	$567	$400
$50,000-99,999	52.6%	47.4%	69.1%	30.9%	171	$725	$572
$100,000-199,999	61.2%	38.8%	76.7%	23.3%	246	$1,119	$855
$200,000 & over	75.9%	24.1%	88.5%	11.5%	266	$3,937	$2,450
FULL-TIME STAFF							
One	46.1%	53.9%	67.4%	32.6%	212	$983	$633
Two	55.3%	44.7%	69.3%	30.7%	182	$973	$728
3 or more	68.3%	31.7%	85.1%	14.9%	382	$3,100	$1,751
TOTAL	57.0%	43.0%	76.6%	23.4%	814	$1,969	$908

GENERAL OFFICE PRACTICES

OFFICE PRACTICES	OFFICE PRACTICES UTILIZED								
	Percentage Of Payment Due Upon Signing Of Engagement Letter	Charge For Copies	Long Distance Charges	Bill For Computer Time	Detailed Description Of Work On Invoice	Interest On Past Due Accounts	End Of Job Billing	Progress Billing	Other
TYPE OF PRACTICE									
Sole Practitioner	13.0%	25.5%	25.0%	26.8%	60.6%	21.3%	63.7%	26.3%	12.4%
Partnership	8.9%	25.9%	30.4%	42.0%	65.2%	32.1%	59.8%	48.2%	10.7%
Corporation	20.4%	29.0%	29.9%	38.9%	63.7%	39.6%	67.3%	43.6%	11.5%
REGION									
Northeast	14.6%	15.6%	15.6%	27.6%	60.1%	17.8%	65.8%	37.9%	11.1%
South	18.3%	31.6%	31.6%	29.2%	59.8%	27.5%	64.1%	34.0%	12.3%
North Central	13.8%	31.1%	29.9%	36.2%	61.0%	33.6%	67.6%	30.5%	8.5%
West	11.9%	29.8%	32.8%	36.1%	67.9%	36.1%	61.3%	30.1%	15.9%
COMMUNITY SIZE									
Large City	16.3%	19.6%	25.6%	32.3%	65.5%	21.4%	63.5%	39.6%	12.9%
Moderate City	19.1%	25.3%	27.0%	29.3%	61.0%	28.0%	61.6%	33.3%	14.0%
Small City	9.8%	35.2%	28.7%	33.0%	58.0%	33.3%	68.7%	28.4%	9.2%
Rural	14.0%	24.6%	24.6%	35.1%	64.9%	35.1%	68.4%	24.6%	10.5%
GROSS INCOME									
Under $50,000	12.1%	20.4%	23.9%	17.6%	58.5%	16.6%	56.1%	21.5%	12.8%
$50,000-99,999	14.0%	26.8%	26.4%	28.3%	58.9%	22.3%	65.0%	24.2%	14.6%
$100,000-199,999	15.1%	27.8%	26.8%	33.9%	64.6%	30.2%	67.8%	33.4%	11.2%
$200,000 & over	18.3%	29.8%	28.8%	43.5%	62.4%	39.5%	67.7%	50.8%	10.5%
FULL-TIME STAFF									
One	12.8%	18.8%	22.2%	21.6%	61.0%	17.2%	59.4%	25.9%	14.0%
Two	15.3%	26.9%	26.6%	34.1%	62.8%	26.3%	64.4%	31.3%	13.1%
3 or more	17.8%	32.7%	31.5%	39.4%	63.3%	38.7%	69.5%	42.4%	9.2%
TOTAL	15.0%	26.6%	26.9%	31.6%	61.8%	27.8%	64.6%	33.4%	12.0%

Office Practices Utilized ⇧

PRACTICE PROCEDURES AND POLICIES	Percentage Of Billings Outstanding		
	Count	Mean	Median
TYPE OF PRACTICE			
Sole Practitioner	864	10.3%	8.0%
Partnership	110	14.7%	12.0%
Corporation	442	12.6%	10.0%
REGION			
Northeast	397	13.3%	10.0%
South	417	9.6%	7.0%
North Central	309	11.4%	10.0%
West	293	11.1%	10.0%
COMMUNITY SIZE			
Large City	437	12.5%	10.0%
Moderate City	467	10.9%	10.0%
Small City	454	11.0%	10.0%
Rural	59	7.9%	5.0%
GROSS INCOME			
Under $50,000	291	7.1%	5.0%
$50,000-99,999	319	9.5%	6.0%
$100,000-199,999	398	11.5%	10.0%
$200,000 & over	360	16.1%	15.0%
FULL-TIME STAFF			
One	440	8.5%	5.0%
Two	316	11.6%	10.0%
3 or more	585	13.9%	10.0%
TOTAL	1,423	11.3%	10.0%

Outstanding Billings ⇨

The office practices utilized most often by all respondents are end of job billing (64.6%), detailed description of work on invoice (61.8%), followed by progress billing (33.4%). The different office practices that were offered as choices were more likely to be put into practice by the larger firms. For example, 43.5% of the largest firms bill customers for computer time, while only 17.6% of the smallest firms do the same.

BENEFITS FOR FULL-TIME EMPLOYEES

The benefits offered most often by all respondents were major medical insurance (62.7%), followed by payment for continuing professional education, offered by 60.4%. A little more than half of all respondents offer professional association membership (53.2%) and payment to learn additional skills (52.4%). Child care is offered least often, 6.0% for all respondents.

The higher the income the more likely benefits are offered in all cases but three. Professional association membership, automobile and payment to learn additional skills are all different benefits that do not increase along with gross income. In fact, professional association membership is offered most often by respondents with the lowest grossing income. Automobiles are offered least often by the group grossing $100,000 to $199,999 (only 16.4%), while approximately one-fourth of all the other sized firms offer an automobile as a benefit. The firms earning between $50,000 and $199,999 most often offer payment to learn additional skills.

Benefits Provided To Full-Time Employees ⇩

PRACTICE PROCEDURES AND POLICIES	BENEFITS PROVIDED FULL-TIME EMPLOYEES							
	Major Medical Insurance	Life Insurance	Long Term Disability Insurance	Payment For Continuing Professional Education	Child Care	Professional Association Membership	Automobile	Payment To Learn Additional Skills
TYPE OF PRACTICE								
Sole Practitioner	52.2%	24.8%	11.4%	54.5%	3.9%	45.8%	20.9%	50.5%
Partnership	72.9%	38.5%	11.5%	67.7%	8.3%	61.5%	13.5%	44.8%
Corporation	73.3%	43.3%	19.2%	65.9%	8.2%	60.8%	26.9%	56.3%
REGION								
Northeast	69.7%	35.8%	16.6%	54.6%	2.6%	54.2%	26.6%	46.1%
South	54.0%	30.5%	11.1%	59.0%	6.7%	54.6%	22.9%	58.1%
North Central	66.0%	39.4%	16.2%	63.1%	6.6%	51.5%	18.3%	52.7%
West	62.7%	28.4%	15.9%	68.2%	9.0%	53.2%	22.9%	51.7%
COMMUNITY SIZE								
Large City	71.2%	34.2%	17.0%	58.2%	4.2%	53.9%	27.9%	45.2%
Moderate City	58.7%	30.2%	14.5%	59.9%	8.1%	55.2%	22.4%	54.4%
Small City	57.4%	36.7%	11.7%	63.9%	6.2%	50.9%	18.8%	56.8%
Rural	71.0%	32.3%	16.1%	51.6%	.0%	51.6%	12.9%	54.8%
GROSS INCOME								
Under $50,000	31.1%	18.9%	7.4%	54.9%	2.5%	70.5%	23.8%	40.2%
$50,000-99,999	47.4%	20.8%	9.9%	56.3%	2.6%	53.6%	24.0%	52.1%
$100,000-199,999	61.3%	28.5%	14.2%	61.0%	8.0%	42.7%	16.4%	57.3%
$200,000 & over	84.1%	51.1%	20.4%	63.7%	7.5%	55.0%	25.7%	50.6%
FULL-TIME STAFF								
One	46.7%	22.4%	17.6%	61.0%	1.9%	71.4%	33.8%	43.3%
Two	51.4%	25.1%	10.3%	49.8%	3.7%	43.6%	19.3%	52.7%
3 or more	75.3%	42.6%	15.9%	65.2%	8.8%	50.9%	19.9%	55.2%
TOTAL	62.7%	33.6%	14.6%	60.4%	6.0%	53.2%	22.7%	52.4%

CONFIDENTIAL

National Society of Public Accountants

1991 MEMBERSHIP INCOME AND FEE SURVEY

This questionnaire is to be completed by the proprietor, senior partner or major stockholder of your firm.

I. GENERAL INFORMATION

A. Please check your type of practice: ❑ sole practitioner ❑ partnership ❑ corporation

B. How many employees does your practice have *(including yourself)*?

Principals/Partners _____ Full Time Staff _____

Total Full Time _____ Part Time Employees _____

C. Please check all that apply to you:

❑ enrolled agent ❑ ACAT accredited ❑ unlicensed practitioner
❑ registered/licensed PA ❑ certified public accountant

D. How many years have you been in public practice? _____ (years)

E. Please indicate the highest level of schooling completed:

❑ high school ❑ business school ❑ 4 year college/university
❑ correspondence school ❑ 2 year community college ❑ post graduate

F. What is the size of the community in which you practice?

❑ large city/suburb (population 500,000 or more) ❑ moderate city/suburb (population 50,000-499,999)
❑ small city/town (population less than 50,000) ❑ rural/unincorporated area

G. In what state is your practice? _____

H. In what year where you born? 19_____

I. What is your gender? ❑ male ❑ female

II. INCOME AND FEE INFORMATION

A. Please indicate how many of your clients (individual and business) fall *primarily* into the following categories and what percent of your firm's annual gross income is derived from each:

	Number of Clients	% Gross Income
Federal/State Tax Return preparation only	_____	_____
Tax Services (includes tax and estate planning, consultation, IRS representation, etc.)	_____	_____
Write-Up Work (the accountant provides a bookkeeping service, i.e., journals, ledgers, payrolls, etc., and preparation of periodic financial statements for these clients)	_____	_____
Financial Statement Presentation (those clients having a bookkeeper on the premises and the accountant begins his/her service by working from a pre-adjusted trial balance; includes compilation and review reports)	_____	_____
Audit Accounts (those clients whose accounting records you inspect and which include analyses, tests, reports, confirmations, proofs, opinions, or disclaimers)	_____	_____
Management Advisory Services (consulting — advising on business matters that are not included in above services, i.e., personnel, systems, computerization, equipment acquisition, pension plans, personal financial planning, etc.)	_____	_____
Other *(Explain)* _____	_____	_____
Total Clients	_____	**100%**

B. What is the estimated gross and net incomes of your firm for calendar year 1991? $_____ (gross) $_____ (net)

C. How many federal tax returns did your firm prepare in 1991 and what were the minimum, average and hourly (if applicable) fees charged?

	# of Returns Prepared	Minimum Fee	Average Fee	Hourly Fee
Form 1040 not itemized	_____	$_____	$_____	$_____
Form 1040 itemized	_____	$_____	$_____	$_____
Form 1065 (Partnership)	_____	$_____	$_____	$_____
Form 1120S (Corporation)	_____	$_____	$_____	$_____
Form 1041 (Fiduciary)	_____	$_____	$_____	$_____

D. Please indicate your firm's hourly fee or minimum fixed fee (whichever is applicable) to clients to represent them in the event of an IRS audit.

Hourly fee $_____ Minimum fixed fee $_____

E. **Based on your firm's 1991 tax season experience, do you anticipate your fees for preparing federal tax returns will increase in 1992?**

❑ Yes ❑ No **If YES, by approximately what percent?** _____%

F. **What percentage of your firm's billing is based on the following?**

Fixed fee _____%
Hourly rate _____%
Other _____% Explain _____
Total Billing (100%)

G. **What is your firm's average hourly fee or fixed monthly fee (including overhead or burden) for performing the following types of services?**

	Average Hourly	Average Fixed		Average Hourly	Average Fixed
Tax Services	$_____	$_____	Write-Up Work	$_____	$_____
Financial Statement Presentation	$_____	$_____	Audit Accounts	$_____	$_____
Management Advisory Services (consulting)	$_____	$_____			

H. **What is your firm's usual billing rate per hour (where applicable) and current salary for each type of staff employee and yourself?**

	Billing Rate	Typical Annual Salary		Billing Rate	Typical Annual Salary
Secretarial, stenographic and clerical	$_____ per hour	$_____ annually	Junior Accountant (0-2 years)	$_____ per hour	$_____ annually
Semi-senior Accountant (3-4 years)	$_____ per hour	$_____ annually	Yourself, partners or associates	$_____ per hour	$_____ annually
Senior Accountant (5 years and over)	$_____ per hour	$_____ annually			

I. **On an average, what percentage of your firm's gross billings are typically outstanding?** _____%

J. **Which of the following office practices does your firm utilize?** *(please check all that apply)*

❑ a percentage of payment due upon the signing of the engagement letter
❑ long distance charges
❑ detailed description of work on invoice
❑ end of job billing (excluding tax return preparation and regular write-up work)
❑ other (specify:) _____
❑ charge for copies
❑ bill for computer time
❑ interest on past due accounts
❑ progress billing (excluding tax return preparation and regular write-up work)

III. PRACTICE PROCEDURES/POLICIES

A. **Is your practice currently covered by professional liability (errors and omissions) insurance?** ❑ Yes ❑ No

If YES, what kind of plan do you have? ❑ comprehensive plan ❑ tax practice coverage only plan

What was your most recent annual premium for this insurance? $_____

B. **Which of the following benefits does your firm provide its full-time employees (including principals)?**

❑ major medical insurance
❑ life insurance
❑ long term disability insurance
❑ payment for continuing professional education
❑ child care
❑ professional association membership
❑ automobile
❑ payment to learn additional skills that could prove beneficial to the firm (example: computer school, training sessions, etc.)

D. **How many CPE credit hours do you earn in a typical year?** _____ hours

E. **On the average, how much do you spend per CPE credit hour in a typical year?** *(registration fees only)* $_____

C. **Do you offer electronic filing for federal tax returns as a service?** ❑ Yes ❑ No

If YES, how much do you charge for this service?

❑ no charge ❑ $5-$10 ❑ $11-$20 ❑ $21 or more

F. **Does your firm prepare tax returns by computer?** ❑ Yes ❑ No

If YES, do you: *(check one)*

❑ own or lease equipment used on your own premises
❑ use a service bureau with or without input equipment on your premises *(exclude electronic filing)*

G. **Does your firm use a computer to serve clients for other than the preparation of tax returns?**

❑ Yes ❑ No

If YES, what do you use the computer for? *(check all that apply)*

❑ payroll ❑ word processing ❑ accounts payable ❑ general ledger
❑ client write-up ❑ depreciation ❑ accounts receivable ❑ client time and billing

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Please return in the envelope provided to:

Association Research Inc.
15850 Crabbe Branch Way, Suite 160
Rockville, MD 20855
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GENERAL INFORMATION ABOUT THE NATIONAL SOCIETY OF PUBLIC ACCOUNTANTS

The National Society of Public Accountants is a nonprofit professional organization. Members are independent accounting and tax practitioners serving over six million small businesses and individuals across the country.

Since its inception in 1945, the National Society has been dedicated to encouraging high standards of technical proficiency among members and the profession. In addition, NSPA is dedicated to the support and protection of small business interests throughout the United States.

Member Assistance in Legislative and Legal Matters — NSPA's Department of Federal Affairs/Tax Counsel maintains current information and materials relating to the Internal Revenue Service and the development and administration of federal laws, regulations and procedures. This office represents member interests on all matters before the U.S. Congress and closely monitors all legislation affecting independent accountants, tax practitioners and their small business clients. NSPA's Legal Counsel maintains current information and takes appropriate action on all matters relating to state laws and administrative regulations affecting the practice of independent accountants and tax professionals.

Professional Development — A significant portion of NSPA's resources are devoted to helping members excel in their practice as well as meeting continuing professional education requirements. By developing a strong selection of self-study education correspondence courses, NSPA meets the needs of the small business practitioner who requires quality education programs with a minimal time away from the office. Through NSPA's conferences and seminars, members receive in-depth analysis of special interest topics, as well as the opportunity to meet and exchange ideas with fellow practitioners across the country. Programs on federal taxation, accounting, practice management and estate planning are regularly scheduled.

Every August, NSPA holds its annual convention, which includes the election of officers, reports to the membership, significant educational programs, exhibition hall and social activities.

Publications — The *National Public Accountant*, NSPA's monthly professional journal, provides articles by well-known professionals on current topics relevant to accounting, taxation and practice management. Specifically designed for the small business practitioner, the *National Public Accountant* is an invaluable technical resource for every practice.

The *NSPA Washington Reporter* newsletter is NSPA's primary means of communicating with members. Published 11 times each year, the *Reporter* provides updates on recent IRS and regulatory developments critical to practitioners's practice and their clients, and keeps them informed of new NSPA projects and services. Every other month, the Reporter includes a free, camera-ready "Client Report" newsletter which members can personalize and send to clients throughout the year.

Member Services — The National Society provides a wide range of reference guides, materials and services to help members in their professional practice. Programs include practice assistance aids, forms, public information brochures, standards such as NSPA's Generally Accepted Tax Accounting Principles and surveys, such as the triennial *Income and Fees of Accountants in Public Practice*.

NOTES:

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